



स्टेट फोकस पेपर 2024-25 State Focus Paper 2024-25

अरुणाचल प्रदेश

ARUNACHAL PRADESH

राष्ट्रीय कृषि और ग्रामीण विकास बैंक

NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT

अरुणाचल प्रदेश क्षेत्रीय कार्यालय, ईटानगर

ARUNACHAL PRADESH REGIONAL OFFICE, ITANAGAR



दृष्टि

ग्रामीण समृद्धि के लिए राष्ट्रीय विकास बैंक

ध्येय

सहभागिता, संधारणीयता और समानता पर आधारित वित्तीय और गैर-वित्तीय सहयोगों, नवोन्मेषों, प्रौद्योगिकी और संस्थागत विकास के माध्यम से समृद्धि लाने के लिए कृषि और ग्रामीण विकास का संवर्धन

Vision

Development Bank of the Nation for fostering rural prosperity

Mission

Promote sustainable and equitable agriculture and rural development through participative financial and non-financial interventions, innovations, technology and institutional development for securing prosperity



स्टेट फोकस पेपर 2024-25
State Focus Paper 2024-25

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NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT

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ARUNACHAL PRADESH REGIONAL OFFICE, ITANAGAR



**CHIEF MINISTER
ARUNACHAL PRADESH**

MESSAGE


It is heartening to know that NABARD is releasing the State Focus Paper-2024-25 during the State Credit Seminar. The State Focus Paper consolidates the Potential Linked Credit Plans (PLPs) of all the districts and contains the policy initiatives, challenges, infrastructure gaps and potential areas for flow of credit under priority sectors. This document will serve as the reference document for the banks in planning and purveyance of credit and for other stakeholders in planning their programmes.

Government of Arunachal Pradesh is undertaking several measures for development of the rural sectors and to make it inclusive and sustainable. In this journey, NABARD has always been a valuable partner through its financial as well as developmental initiatives. Through creation of rural infrastructure & livelihood options, development of cooperative & regional rural banks and innovative initiatives, NABARD is immensely supplementing the State Government.

I urge upon the banks and all the stakeholders to make all out efforts to achieve the credit potentials assessed by NABARD.

I take this opportunity to congratulate NABARD for its exemplary work for development of the State in partnership with the Government of Arunachal Pradesh, banks and other stakeholders.

With best wishes!



(Pema Khandu)

**MESSAGE**

Improving the life & livelihoods is always a priority for the Government of Arunachal Pradesh. In this endeavor, NABARD has been appreciably contributing through financial support and its various other initiatives in the field of infrastructure development, natural resource management, financial inclusion and capacity building.

Credit is a critical input for agriculture and rural development. Effective credit planning and availability of timely & adequate credit are very important. As a part of the credit planning exercise, NABARD assesses the credit potential in each district of the State every year and consolidates them into the State Focus Paper.

The document will serve as a reference point for the bankers in directing bank credit during 2024-25. Besides, it would also assist the State Government departments and other stakeholders in taking up the required initiatives for removing the constraints in process of smooth credit flow.

I urge upon all the stakeholders to make determined efforts for realizing the credit potential estimated by NABARD. I congratulate NABARD for successfully bringing out the State Focus Paper and I extend my best wishes to NABARD.

(Chowna Mein)

Er. Tage Taki



MINISTER
Agriculture, Horticulture
Animal Husbandry, Veterinary,
Dairy Development & Fisheries
Arunachal Pradesh, Itanagar-791111

D.O. No. No: MIN/AH&AHVF-37/2021

dated 12 December, 2023

MESSAGE

Agriculture stands as the primary pillar of sustenance for a substantial majority in Arunachal Pradesh, with over two-thirds of the population relying on this vital sector. Endowed with abundant natural resources and favorable agro-climatic zones, the region supports diverse crop cultivation, making a significant contribution to the Gross State Domestic Product (GSDP).

In alignment with overarching strategies for socio-economic progress, the Government has recently introduced Atmanirbhar Schemes, aiming to invigorate agriculture and allied activities. These initiatives specifically target elevating farmers' income and improving their overall quality of life.

The State Focus Paper, meticulously prepared by NABARD for the upcoming year, delineates sector-wise exploitable potentials in relation to governmental priorities and policies. It underscores the pivotal role of the agriculture sector while identifying critical gaps that warrant attention.

Acknowledging the commendable efforts of the Regional Office of NABARD, I express optimism that banks and other stakeholders will proactively engage in bolstering the farming community, thereby realizing the untapped potential within our agricultural landscape.

(Tage Taki)

Minister, Agriculture & Allied Sector.
Itanagar.

DHARMENDRA, IAS
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GOVERNMENT OF
ARUNACHAL PRADESH
ITANAGAR - 791111

MESSAGE


Credit planning is a key component in the process of rural development. Under the Lead Bank Scheme (LBS) of the Reserve Bank of India, the credit planning exercise is initiated by NABARD every year through preparation of district-wise Potential Linked Credit Plans (PLPs).

The credit potential assessed in PLPs all districts in the state culminates in its State Focus Paper (SFP), which highlights the credit potential, gaps and strategy for sectoral and infrastructure development. It also highlights the linkage support that government departments would need to provide.

For 2024-25, the Regional Office of NABARD has successfully brought out the State Focus Paper in addition to the initiatives being taken by it in the financial as well as developmental areas.

I compliment NABARD and urge upon all the government departments and banks to achieve the credit potential assessed in this document.

I hope the document will play a very effective role in channelizing the resources to the desired sectors of the State's economy.


(Dharmendra)

Dr. Sharat Chauhan, IAS

**Finance, Planning & Investment, Health &
Family Welfare, Environment, Forest & Climate
Change, Fisheries, Agriculture Production
Commissioner & Chairman APSSB & Arunachal
Pradesh Pollution Control Board**



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18 December 2023

MESSAGE

The State Focus Paper (SFP) consolidates the potential credit plans of all the districts in the State. It presents the issues under each priority sector, forges a powerful link with the developmental perspective, and embodies policy interventions with an outlook for the future. The SFP serves as a reference document for the banks, the State Government departments and all other stakeholders for planning credit-linked development programmes.

The economy of Arunachal Pradesh is on a high-growth trajectory in the recent years. We are reporting impressive growth in terms of per capita income through prudence in financial management and creation of infrastructure. The focus of the Government continues to be on growth with inclusivity, for which emphasis is being laid on fostering innovation & adoption of modern technology. Being a pre-dominantly agricultural economy, the credit plan focuses on improvement of quality of life & creation of livelihood opportunities.

In this endeavor of the State Government, NABARD is a valuable partner. Presently, bestowed with an additional responsibility by the GoI to act as a director on the Board of NABARD, I am privy to the initiatives NABARD is taking across the length & breadth of the country. It gives me immense pleasure to acknowledge the interventions being planned & implemented by the Regional Office of NABARD in the State.

I am sure the SFP, on its release in the State Credit Seminar will serve as the guiding document for all the stakeholders. I urge upon the State Government departments & the banking fraternity to make optimum use of the document and contribute to achieve the credit potential of the State during the coming year.

(Dr. Sharat Chauhan, IAS)



महाप्रबंधक
नाबार्ड
अरुणाचल प्रदेश क्षेत्रीय कार्यालय

प्राक्कथन

ग्रामीण समृद्धि के मिशन को पूरा करने के उद्देश्य से नाबार्ड सरकार, वित्तीय संस्थानों और अन्य हितधारकों की भाँति समावेशी प्रगति की राष्ट्रीय कार्यनीति के विकासात्मक उद्देश्य के अनुरूप कार्य कर रहा है। मल्टी-एजेंसी संरचना के सहभागियों के साथ विचार-विमर्श करने और वर्षों तक उस क्षेत्र में काम करने के फलस्वरूप प्राप्त हुई विशेषज्ञता के आधार पर नाबार्ड ऋण आयोजना में एक महत्वपूर्ण भूमिका निभाता है और परामर्शी दृष्टिकोण अपनाते हुए यह प्रतिवर्ष देश के प्रत्येक जिले हेतु संभाव्यतायुक्त ऋण आयोजना (पीएलपी) तैयार करता है।

स्टेट फोकस पेपर (एसएफपी) पीएलपी का समेकित रूप है और यह प्राथमिकता प्राप्त क्षेत्र के अंतर्गत विभिन्न गतिविधियों हेतु ऋण संभावनाओं का आकलन करता है और आधारभूत संरचना की कमी तथा क्षमताओं के दोहन हेतु आवश्यक सहयोगों का विश्लेषण करता है। यह आधार स्तरीय ऋण की मांग को भी ध्यान में रखते हुए राज्य तथा केंद्र सरकार और अन्य हितधारकों के नीतिगत सहयोगों का समर्थन भी करता है।

राज्य की अर्थव्यवस्था विकास पथ पर है। राज्य सरकार की पहलें और केंद्र सरकार के सक्रिय नीतिगत दृष्टिकोण के फलस्वरूप आधारभूत संरचना और आजीविका के अवसरों का अतुलनीय सृजन हो रहा है। पारिस्थितिकी तंत्र में इस प्रकार के अभूतपूर्व परिवर्तन हेतु औपचारिक बैंकिंग प्रणाली से ऋण प्रवाह को बढ़ाने और संपूर्ण राज्य में घर-घर तक वांछित वित्तीय सेवाएं प्रदान करने के लिए इसकी पहुंच का विस्तार करने की आवश्यकता है। इसे संभव बनाने हेतु हितधारकों के सकारात्मक और सामूहिक प्रयासों की आवश्यकता है।

हमें यह एसएफपी प्रस्तुत करते हुए अत्यंत हर्ष की अनुभूति हो रही है, जिसमें वर्ष 2024-25 के दौरान प्राथमिकता प्राप्त क्षेत्र के अंतर्गत 1162.86 करोड़ रुपये की ऋण संभाव्यता प्रस्तावित है। हम, इस दस्तावेजों को तैयार करने में अरुणाचल प्रदेश सरकार, भारतीय रिज़र्व बैंक, राज्य स्तरीय बैंकर्स समिति, बैंकों और अन्य हितधारकों के महत्वपूर्ण योगदान हेतु उनके प्रति आभार व्यक्त करते हैं। हमें पूर्ण विश्वास है कि यह दस्तावेज हितधारकों को राज्य के संधारणीय विकास और अरुणाचल प्रदेश की जनता के लिए समृद्धि लाने के उनके उद्देश्य पर कार्य योजना तैयार करने में सहायता प्रदान करेगा।

इटानगर

दिनांक: 18 दिसंबर 2023

डी मिश्रा
(दामोदर मिश्रा)

एस.एफ.पी. दस्तावेज़ तैयार और अंतिम रूप दिया गया:
अरुणाचल प्रदेश क्षेत्रीय कार्यालय

‘दस्तावेज़ सार्वजनिक रूप से उपलब्ध स्रोतों और विभिन्न हितधारकों के साथ चर्चा से एकत्र की गई जानकारी के आधार पर तैयार किया गया है। अनुमान तैयार करते समय, वास्तविक रूप से ऋण क्षमता का अनुमान लगाने के लिए हर संभव प्रयास किया गया है। इस दस्तावेज़ के डेटा या सामग्री के उपयोग के कारण किसी व्यक्ति/संगठन को होने वाली किसी भी सामग्री या अन्य हानि के लिए नाबार्ड जिम्मेदार नहीं होगा।’



**General Manager
NABARD
Arunachal Pradesh RO**

FOREWORD

With the mission of ensuring rural prosperity, NABARD closely aligns itself with Governments, financial institutions and other stakeholders to dovetail the developmental agenda with the national strategy of inclusive growth. Having the domain knowledge gained over the years through interactions with players in the multi-agency framework, NABARD plays an important role in the credit planning exercise and adopting a consultative approach, it prepares annually the Potential Linked Credit Plans (PLPs) for every district in the country.

State Focus Paper (SFP) is the consolidation of the PLPs and it assesses the credit potentials for various activities under priority sector and analyses the infrastructure gaps & interventions required for exploitation of the potentials. It also takes into account the demand for credit at the grass root level and recognises the policy interventions of the State & Central Government and other stakeholders.

The State's economy is on a growth path. Initiatives of the State Government coupled with a pro-active policy stance of the Central Government is resulting in un-matched creation of infrastructure & livelihood opportunities. Such a transformative change in the ecosystem demands stepping up of credit flow from the formal banking system and expansion of its outreach to provide the desired financial services at the doorstep of the people across the length & breadth of the State. To make it happen, it calls for constructive & collective efforts of the stakeholders.

We are delighted to present the SFP which proposes a credit potential of ₹ 1162.86 crore under the priority sector during 2024-25. We place on record our gratitude to the Government of Arunachal Pradesh, RBI, SLBC, banks and other stakeholders, whose contribution was vital for bringing out the document. We hope that this document would help the stake-holders to draw their action plans aimed at sustainable growth of the State and bringing in prosperity to the people of Arunachal Pradesh.

Itanagar

Date :18 December 2023

(Damodar Mishra)

SFP Document prepared and finalized by:

Arunachal Pradesh Regional Office

The document has been prepared on the basis of information collected from publicly available sources and discussions with various stakeholders. While preparing the projections, every effort has been taken to estimate credit potential realistically. NABARD shall not be responsible for any material or other losses occurring to any individual / organization owing to use of data or contents of this document.'

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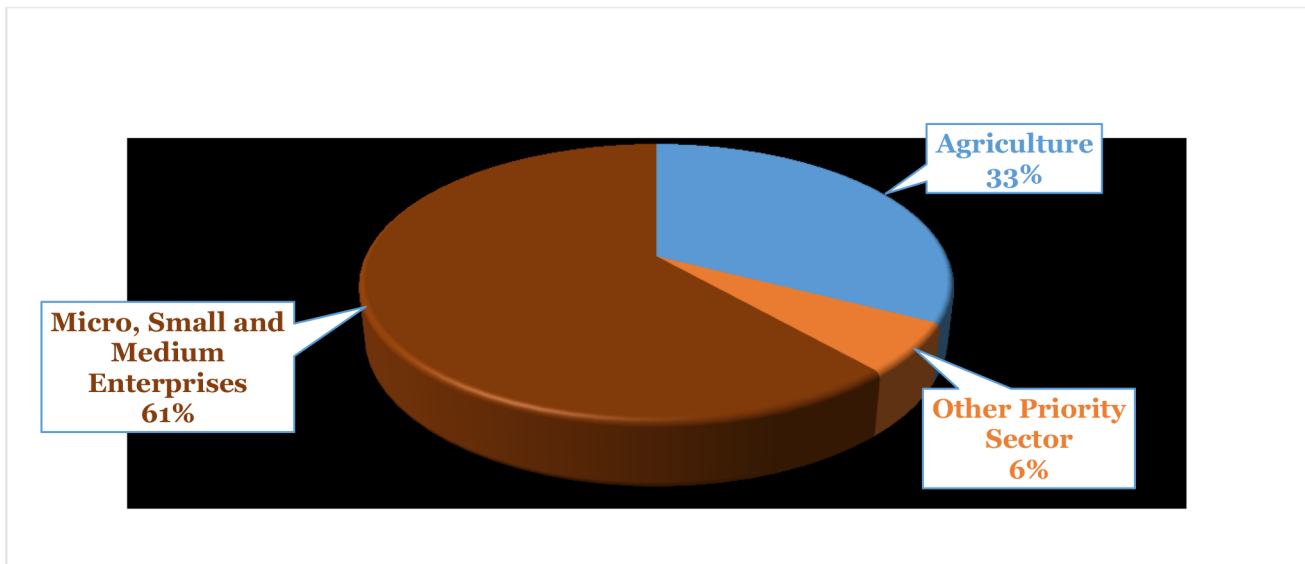
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CREDIT OUTLAYS UNDER VARIOUS SECTORS

Broad Sector-wise credit projections for the year 2024-25

(₹ Lakh)

Sr. No.	Sector / Sub-Sectors	Projection	% of total projection
1	Crop Production, Maintenance and Marketing (Crop Loan)	14355.99	12.35
2	Investment credit for Agri. and Allied Activities (Agri. T L)	19661.14	16.91
3	Agriculture Infrastructure	2026.13	1.74
4	Agriculture- Ancillary Activities	1901.53	1.64
5	Micro, Small and Medium Enterprises	71480.72	61.47
6	Education	1046.25	0.90
7	Housing	1960.28	1.69
8	Renewable Energy	393.38	0.34
9	Social Infrastructure involving Bank Credit	1335.00	1.15
10	Loans to SHG, JLG, PMJDY, etc.	2125.10	1.83
Total		116285.52	



Sub-Sector-wise credit projections for the year 2024-25

(₹ Lakh)

Sr. No.	Sectors / Sub- Sectors	Projection
1	Credit Potential for Agriculture	
1.1	Farm Credit	
i	Crop Prod, Maintenance, Marketing & WC for AH & Fisheries	14355.99
ii	Water Resources	152.00
iii	Farm Mechanization	1465.17
iv	Plantation & Horticulture including Sericulture	8144.23
v	Forestry & Waste Land Development	630.36
vi	Animal Husbandry - Dairy	2157.47
vii	Animal Husbandry - Poultry	1910.77
viii	Animal Husbandry - Sheep, Goat, Piggery, etc	1572.48
ix	Fisheries	2930.20
x	Farm Credit- Others	698.45
1.2	Agriculture Infrastructure	
i	Storage and Marketing Infrastructure	1566.34
ii	Land Development, Soil Conservation, Watershed development	320.80
iii	Agri. Infrastructure-Others	138.99
1.3	Agriculture - Ancillary Activities	
i	Food and Agro Processing	1587.00
ii	Agri ancillary activities - Others	120.05
iii	Agri-clinic/ ACABC	194.48
iv	Others – Miscellaneous (PMJDY)	54.20
2	Credit Potential for MSME	
i	MSME Investment	53435.20
ii	MSME Working Capital	18045.52
3	Export Credit	0.00
4	Education	1046.25
5	Credit Potential for Housing	1960.28
6	Social Infrastructure	1335.00
7	Renewable Energy	393.38
8	Others – loans to SHGs/JLGs	2070.90
	Grand Total	116285.51

EXECUTIVE SUMMARY

1. State Profile

Spread over 83,743 sq.km, Arunachal Pradesh is the largest state in the North-Eastern Region. The State has 25 districts, 27 census towns and 5,589 inhabited villages. With a population of 13.83 lakh (Census 2011), the State ranks lowest in terms of density of population at 17 per km². There are about 110 tribes in the State, of which 26 are considered as major tribes.

There is no formal land tenure system in the State. Ownership right of cultivable land is issued to the farmers and they exercise customary rights on land possessed and cultivated by them. The system varies from tribe to tribe and the land is generally owned by an individual, a family, a clan, a village or the community.

The economy is predominantly agricultural and the State is characterized by its expansive forest cover, accounting for about 80 percent of the total geographical area. The State has been reporting commendable growth in the recent years. GSDP has grown at an average rate of 12.53% from 2012-13 (RE) to 2022-23 (AE) at current prices as against an all India average growth rate of 11.05%. Per Capita Income has improved by 74% during the same period as against 35% at the national level.

As per the State's budget 2023-24, revenue expenditure forms around 69% of the total estimated expenditure. There has been an increase in the capital expenditure and the same needs to continue for creation of productive assets. Devolution of taxes and grants from the Centre continues to be the major component of budget receipts.

2. Banking Profile

As on 31 March 2023, banks have 231 branches in the State, of which 103 and 128 are rural and semi-urban branches, respectively. Of the total branches, 162 belong to commercial banks and 32 belong to Arunachal Pradesh Rural Bank. The state has a two-tier Cooperative Credit Structure consisting of the State Cooperative Bank and LAMPS. Arunachal Pradesh State Cooperative Apex Bank has 37 branches and there are 34 LAMPS which are mostly involved in PDS and other non-credit business.

12 Public Sector Banks, 7 private sector banks, 1 small finance bank (NESFB) and 1 payment bank (IPPB) are operating in the State along with the State Cooperative Bank and the RRB. There are 296 ATMs and the banks are providing financial service through a network of 1240 CSPs besides their branches.

Deposits with banks have increased by 10.61% to ₹27,485 crore as on 31 March 2023 as compared to the position as on 31 March 2022. Of the deposits outstanding, 93% (₹25,687 crore) are with commercial banks, followed by APRB at 5% (₹1,255 crore) and APStCB Ltd. at 2% (₹543 crore).

Advances outstanding of banks as on 31 March 2023 is ₹8,034 crore which has registered an increase of 4% during the year. Agency wise, commercial banks account for the major portion at ₹7,338 crore (91%), followed by APRB at ₹367 crore (5%) and APStCAB Ltd at ₹329 crore (4%).

Credit-Deposit Ratio of the State is much below the benchmark level of 60%. Taking into account the advance outstanding from NEDFI & from NABARD under RIDF, and the credit utilized by commercial

banks in the State, CD Ratio as on 31 March 2023 is 34.75%. CD Ratio is low in Commercial Banks (29.11%) and APRB (29.22%). The State Cooperative Bank has CD Ratio of 60.61%. However, the overall CD Ratio has increased from 31.38% as on 31 March 2022 to 34.75% as on 31 March 2023.

Total credit flow to priority sector during 2022-23 was ₹888.21 crore (achievement was 150% of the ACP target), comprising ₹68.74 crore as crop loan, ₹89.99 crore as Agricultural Term Loan, ₹681.03 crore to MSME sector and ₹49.14 crore to Other Priority Sector. For 2023-24, the SLBC has fixed the ACP target at ₹791.92 crore.

On financial inclusion front, of the 5,589 inhabited villages in the State, 11 are having population above 2000, 97 (out of 105) villages with population between 1000 and 1999 and 596 (out of 3,747) villages with population below 1000 have been already covered. During 2022-23, NABARD has sanctioned 378 Financial Literacy programmes with grant support of ₹21.68 lakh to the banks. NABARD has also provided support for procuring PoS machines, micro ATMs, mobile boosters & mobile vans, and onboarding on BBPS, CKYCR, BHIM UPI, etc.

3. NABARD's perception on the development of the State

The State's economy is predominantly agrarian and the primary sector activities are source of livelihood for the majority of the people. However, as the farmers are mostly engaged in subsistence agriculture, the State depends heavily on other States for food-grains.

The net sown area is only 2.69% (2.25 lakh ha) of the total geographical area. Most of the areas are rain-fed as only 24% of net sown area is under irrigation. There are 1.13 lakh agricultural households and being sparsely populated, average size of operational holdings is 3.35 Ha, which is higher than the national average (1.08 Ha). Small & marginal farmers constitute 43% of the total holdings and occupy 11% of the operational area. However, *jhum* cultivation remains the predominant farming practice and there exists a huge potential for growth of agriculture, in terms of both production & productivity.

Crop loans are mostly extended through KCC mode. During 2022-23, KCC loan amounting to ₹2826.36 lakh was disbursed by the banks. On a cumulative basis, banks have issued 13,232 KCCs with loan outstanding of ₹9269.25 lakh. Low penetration of KCC loans is mainly due to non-availability of land documents, low branch density, limited outreach of banks and difficult topographical conditions. Pradhan Mantri Fasal Bhima Yojna (PMFBY) is not operational in the State due to non-availability of yield data.

The State has huge potential for the growth of field crops like sticky rice and horticultural crops like Walnut, Peach, Plum, Kiwi, etc., and there is a need to promote their cultivation on scientific and commercial lines. The State also possesses India's second highest level of genetic resources and ranks among the lowest GHG emitting states.

The State has the highest average run-off of 350 BCM and flood is a recurring phenomenon due to high precipitation. NABARD as the National Implementing Entity (NIE) is implementing a project on "Addressing climate change vulnerability of Papum-Poma river for conservation and recharging of its spring" with financial support of ₹23.91 crore under NAFCC Fund since 2019-20. Department of Environment & Forests is the Executing Entity (EE).

Collectivization of farmers through Farmer Producer Organisations (FPOs) holds importance in transformation of agricultural scenario. Of the 77 FPOs promoted so far by the State Government & other agencies (including GoI CSS for formation & promotion of 10,000 FPOs), NABARD has supported formation of 13 FPOs. The State Government has formulated 'Chief Minister Krishi Samuh Yojna (CMKSY)' under which formation of 50 FPOs has been envisaged for putting in place an enabling ecosystem. The State Government has also decided to accord priority to "One District One Product" (ODOP) in the next 5 to 7 years.

With significant contribution to the Gross State Domestic Product (GSDP), the MSME sector plays a crucial role in providing large employment opportunities. For promotion of activities in this sector, the State Government has launched capital & interest subsidy schemes and set up training institutes, marketing outlets, innovation hubs & incubation centres. NABARD, in addition to sponsoring skill development and market linkage initiatives, is supporting GI registration of indigenous products.

4. Policy Initiatives

GoI, in the Union budget (2023-24) has identified 7 priorities, called as *saptarishi*, for the vision of *Amrit Kaal*. They are: inclusive development, reaching the last mile, infrastructure and investment, unleashing the potential, green growth, youth power, and the financial sector. To facilitate digital transformation, JanSamarth portal has been launched. Many initiatives are also being taken for making the cooperative sector strong & vibrant.

The RBI has modified the Lead Bank Scheme (LBS) by including revised agenda for SLBC meetings and introducing alternative due diligence framework in place of No Dues Certificates. The procedure & documentation under SHG Bank Linkage have been simplified and a master circular has been issued for operationalization of DAY-NRLM scheme.

NABARD, in addition to providing refinance to the banks and implementing the GoI sponsored subsidy schemes, is providing financial assistance under RIDF to the State Governments for creation of rural infrastructure. NABARD is also supporting partner agencies for various initiatives in the micro finance sector, financial inclusion, and development of institutions including Rural Financial Institutions (RFIs). NABARD is providing support for a wide range of institutional & technological initiatives in the rural ecosystem, covering the farm sector, climate change, off-farm sector and capacity building.

For development of agriculture sector, the State Government has put in place Chief Minister's Krishi Rinn Yojana, under which additional interest incentive of 4% is being extended to farmers on crop loan/KCC limit up to Rs.3.00 lakh. Under Atmanirbhar Schemes (Krishi Yojana, Bagwani Yojana, Plantation Scheme, Pashupalan Yojana & Matsyapalan Yojana), the farmers are availing 45% subsidy and 45% bank loan to set up their projects and 10% margin money. For promotion of activities in the MSME sector, 40% front-ended capital investment subsidy is available to the entrepreneurs under Deen Dayal Upadhyaya Swavalamban Yojana. Further, Arunachal Pradesh Innovation & Investment Park (APIIP) has been set up in 2021 to provide holistic support to local start-ups through proactive policy intervention and creation of key ecosystem stakeholders.

5. Potential Credit Outlay: Sub-sector wise projections for 2024-25

NABARD prepares Potential Linked Credit Plans (PLPs) for each district every year and district-wise and sector/sub-sector wise credit potentials are aggregated at state level. The projections are based on parameters, such as, cropping pattern, agricultural practices, on-going schemes, existing & proposed infrastructure, availability of exploitable resources, and other factors like access to markets and strength of credit delivery system.

Aggregate credit potential for the overall priority sector for the State for the Financial Year 2024-25 has been estimated at ₹116285.51 lakh. Sub-sector wise credit potential assessed and action points suggested for development & improvement of credit flow under the sectors/sub-sectors are presented in the following paragraphs.

5.1 Agriculture

5.1.1 Farm Credit

5.1.1.1 Crop production: The credit potential is assessed at ₹14355.99 lakh. Suggested action points include: (i) popularising adoption of scientific agriculture techniques by farmers, (ii) issue of land possession certificate to all farmers, (iii) development of infrastructure for agriculture, such as, farm-linked roads, market linkage, storage, power supply, etc. (iv) Revival of cooperative credit structure - issuance of KCC.

5.1.1.2 Water Resources: The credit potential is assessed at ₹152.00 lakh. Suggested action points include: (i) water policy and irrigation policy which would provide directions for development of water resources in the State, (ii) extension work needs to be strengthened and supply of necessary inputs for establishment of irrigation structures as well as proper technical guidance and maintenance support may be ensured; (ii) providing credit support to eligible farmers by banks.

5.1.1.3 Farm Mechanization: The credit potential is assessed at ₹1465.17 lakh. Efforts are needed to: (i) popularize modern mechanization method & improved machineries by the department among the farmers, (ii) practical demonstration on use of agricultural implements & farm machineries by the line departments in collaboration with banks for the farmers; and, (iii) support for establishment of farm machinery sales outlets/custom hiring centres by farmers' societies.

5.1.1.4 Plantation & Horticulture: The credit potential is assessed at ₹8144.23 lakh. Suggested action points include: (i) establishment of nurseries for supply of quality planting material either in Government Sector or in PPP mode, (ii) promotion of producers' cooperatives/ collectives, (iii) creation of storage godown and Cold chain facilities; and, (iv) establishing research centres for promotion of value added/ high value agriculture.

5.1.1.5 Forestry and Wasteland Development: The credit potential for the sector has been assessed at ₹630.36 lakh. Suggested action points include: (i) participatory forest management through involvement of local communities, (ii) promotion of agro-forestry farming system; and, (iii) promotion of bamboo clusters through resource poor tribal community.

5.1.1.6 Animal Husbandry: The credit potential is assessed at ₹2157.47 lakh, ₹1910.77 lakh and ₹1572.48 lakh for dairy development, poultry and sheep/goat/piggery development. Suggested action points include (i) promotion of dairy cooperative societies, (ii) poultry hatcheries in the State preferably under Govt/cooperative sector, (iii) formation of FPOs, (iv) setting up of Pig, Yak and Mithun breeding centres.

5.1.1.7 Fisheries: The credit potential is assessed at ₹2930.20 lakh. Suggested action points include: (i) setting up of fish seed hatcheries and renovation of the existing Government seed farms, (ii) popularization of interest subvention scheme under KCC; and (iii) bank credit to farmers for constructing hatchery/nursery/fish ponds on commercial basis.

5.1.1.8 Others including two wheelers for farmers : the credit potential assessed is ₹698.45 lakh.

5.1.2 Agriculture Infrastructure

5.1.2.1 Storage & marketing infrastructure: The credit potential is assessed at ₹1566.34 lakh. State Govt. may propose projects under Warehouse Infrastructure Fund (NABARD) for construction of warehouses in the State (Largest grain storage programme).

5.1.2.2 Land Development: The credit potential is assessed at ₹320.80 lakh. In view of high rainfall for almost 6-7 months and the huge volume of run-off water causing soil erosion, several projects should be implemented in the ambit of Integrated Watershed Management Programme (IWMP).

5.1.2.3 Agricultural Infrastructure – Others: The credit potential is assessed at ₹138.99 lakh under activities like tissue culture, agri. bio-technology, seed production, bio-pesticides/fertilizer and vermicomposting. There is ample scope for promotion and construction of vermi composting units in the state.

5.1.3 Agriculture – Ancillary activities

5.1.3.1 Food & Agro Processing: The credit potential is assessed at ₹1587.00 lakh for the year 2024-25. Food Processing Fund set up in NABARD with initial corpus of ₹2,000 crore provide term loans for development/establishment/augmentation/ modernization of infrastructure required in the designated Food Parks.

5.1.3.2 Others: The credit potential is assessed at ₹120.05 lakh for the year 2024-25. Agriculture graduates may be encouraged to avail training facilities and set up own agri-clinics for providing extension services to the farmers.

5.2 MSME: The credit potential is assessed under MSME-Investment at ₹53435.20 lakh and MSME-Working Capital at ₹18045.52 lakh for the year 2024-25. Suggested action points include: (i) revitalization and strengthening of DICs, (ii) organising buyer-seller meets, (iii) exposure cum study tour for entrepreneurs etc. to promote entrepreneurship, (iv) resource mapping for industrial potential in the State; and, (v) establishment of the Entrepreneurship Development Institute (EDI), Model ITIs, skill university, etc. to train the youth.

5.3 Export Credit: No credit potential has been assessed for the year 2024-25.

5.4 Education Loan: The credit potential is assessed at ₹1046.25 lakh. The banks may explore tie-ups with educational institutions to support students and take benefits under priority sector lending portfolio.

5.5 Housing Loan: The credit potential is assessed at ₹1960.28 lakh. Efforts may be made to ensure that maximum benefits under GoI schemes like PMAY and State Government scheme 'Chief Minister Rural Housing Scheme' reach the beneficiaries. Banks may also enter into partnerships to finance housing projects on commercial lines.

5.6 Social Infrastructure Involving Bank Credit: The credit potential is assessed at ₹1335.00 lakh. Given the importance of social infrastructure, banks may explore possibilities to finance activities, which will ultimately help in socio-economic development of the masses.

5.7 Renewable Energy: The credit potential is assessed at ₹393.38 lakh. Suggested action points include: (i) setting up of demonstration units by APEDA for popularization of cost-effective solar and biogas models; and, (ii) encouraging MNRE approved dealers for supply of solar home light systems, (iii) promotion of roof-top solar power through banks in convergence with government schemes.

5.8 Others: The credit potential is assessed at ₹2070.90 lakh under SHGs/JLGs. There is a need for better collaboration between the SRLM and banks in order to increase finance to SHGs. Banks may consider extending finance to landless farmers/entrepreneurs through JLG mode and capacity building initiatives should be scaled up for promotion of the micro finance sector in the State.

6. Status & prospects of Cooperatives

With a broad objective of increasing the contribution of cooperatives to the Gross Domestic Product (GDP), GoI through Ministry of Cooperation, has been taking various initiatives for strengthening of the sector. These include drafting of new Cooperative policy, computerization of PACS/LAMPS, world's largest food grain storage scheme for cooperatives, establishment of multipurpose PACS/ Dairy/ Fishery cooperatives in every panchayat, setting up of cooperative university, strengthening cooperative training structure, promotion of cooperatives at national level, etc.

At present, the State has an average cooperative profile, with 1079 existing cooperative societies, including 34 LAMPS. Many of these societies are non-functional or defunct. The Arunachal Pradesh State Cooperative Apex Bank is also facing financial challenges.

In line with the GoI initiatives, District Cooperative Development Committees (DCDCs) and State Cooperative Development Committee (SCDC) have been formed in the State. Besides implementing the GoI initiatives to strengthen the cooperatives, it has been decided to establish 150 LAMPS, 157 Dairy & 184 Fishery cooperatives in the State over next five years.

7. Infrastructure Support

There is a huge scope for development of infrastructure in the State. In spite of the prevalent disadvantages in the form of lack of connectivity, difficult topography, dense forest cover, occurrence

of floods & landslides, loose soil and thinly dispersed population, the State Government is according top priority to create the required infrastructure, in order to ensure sustainable economic development.

In agriculture, infrastructure is required to ensure adoption of technology for enhancing productivity. In addition to irrigation facilities, there is a need to boost post-harvest, processing & marketing infrastructure. Emphasis is also required to be laid on improving connectivity and social infrastructure in health & education sectors, in order to raise the standard of living of the people and mitigate disparities.

Rural Infrastructure Development Fund (RIDF) was set up in NABARD during 1995-96 with an objective to fund the State Governments. Over the years, the corpus of the fund has increased from initial ₹2,000 crore to ₹40,000 crore and NABARD has been providing concessional funds to the State Governments under 39 eligible activities covering agriculture, connectivity and social sectors.

As on 31 March 2023, NABARD has cumulatively sanctioned ₹4,592 crore under RIDF for implementation of 439 projects in the State. Amongst the impact created under the initiative, benefits have accrued through development of 2,562 kms of road, 2,527 Mtrs of bridge, irrigation potential of 1,593 Ha and flood protection covering 22,228 Ha of land.

During 2022-23, NABARD has sanctioned 37 projects to the State Government with RIDF loan of ₹404 crore. These include 26 Road and bridge projects, 5 Social Sector Projects and 6 Power sector projects. For 2023-24, the normative allocation for the State is ₹400 crore and the State has an approved borrowing limit of ₹680.60 crore from FIs including NABARD.

Besides RIDF, NABARD is also supporting creation of infrastructure through various other funds. These are NABARD Infrastructure Development Assistance, Warehouse Infrastructure Fund, Food Processing Fund, Micro Irrigation Fund, CCF, etc.

BASIC FEATURES OF ARUNACHAL PRADESH

Geographical Area (83743 Sq. km)	Largest among North Eastern States
Area under Forest (80% cover)	Second largest (after MP)
Population Density (17 per Sq. km)	Least among Indian States
Per capita income (₹1.83 lakh)	Higher than National and NE States' average
Average size of holding (3.35 Ha)	Highest among Indian states (1.08 Ha National average)
Official language	English
Population	1382611 (2011 Census)
Statehood	20 February, 1987
State Capital	Itanagar
No. of Districts	25
Borders Length	160 km with Bhutan in the West, 1,126 km with China in the North, 440 km with Burma in the East, in addition to Assam in the South and Nagaland in the East and South East.



State Profile -Arunachal Pradesh

1. PHYSICAL & ADMINISTRATIVE FEATURES

Total Geographical Area (Sq.km)	83743
No. of Sub Divisions	51
No. of Blocks	114
No. of Villages (Inhabited)	5589
No. of Panchayats	2108

3. LAND UTILISATION ['000 ha]

Total Area Reported	8374
Forest Land	6725
Area Not Available for Cultivation	62
Permanent Pasture and Grazing Land	18
Land under Miscellaneous Tree Crops	35
Cultivable Wasteland	62
Current Fallow	36
Other Fallow	65
Net Sown Area	235
Total or Gross Cropped Area	321
Area Cultivated More than Once	74
Cropping Intensity [GCA/NSA]	1.36

6. WORKERS PROFILE

Cultivators	279300
Of the above, Small/Marginal Farmers	NA
Agricultural Labourers	18840
Workers engaged in Household Industries	6043
Workers engaged in Allied Agro-activities	NA
Other workers	178719

8. HOUSEHOLDS

Total Households	215574
Rural Households	149612
BPL Households	80627

10. VILLAGE-LEVEL INFRASTRUCTURE [Nos]

Villages Electrified	4203
Villages having Agriculture Power Supply	NA
Villages having Post Offices	252
Villages having Banking Facilities	4021
Villages having Primary Schools	1596
Villages having Primary Health Centres	431
Villages having Potable Water Supply	51%
Villages connected with Paved Approach Roads	23%

13. IRRIGATION COVERAGE [Ha]

Total Area Available for Irrigation (NIA + Fallow)	116289
Irrigation Potential Created	76724
Net Irrigated Area (Total area irrigated at least once)	56035
Area irrigated by Canals / Channels	55000
Area irrigated by Wells	5000
Area irrigated by Tanks	
Area irrigated by Other Sources	
Irrigation Potential Utilized (Gross Irrigated Area)	60253

15. AGRO-PROCESSING UNITS

Type of Processing Activity	No of units	Cap.[MT]	Crop
Food (Rice/Flour/Dal/Oil/Tea/Coffee)	2	60	
Sugarcane (Gur/Khandsari/Sugar)	NA	NA	Paddy
Fruit (Pulp/Juice/Fruit drink)	NA	NA	Maize
Spices (Masala Powders/Pastes)	NA	NA	Millet
Dry-fruit (Cashew/Almond/Raisins)	NA	NA	Potato
Cotton (Ginning/Spinning/Weaving)	NA	NA	Ginger
Milk (Chilling/Cooling/Processing)	1	93	Chillies
Meat (Chicken/Mutton/Pork/Dry fish)	NA	NA	Oilseeds
Animal feed (Cattle/Poultry/Fishmeal)	NA	NA	

17. ANIMAL POPULATION AS PER LIVESTOCK CENSUS 2012

Category of animal	Total	Male	Female
Cattle - Cross bred	7741	1117	6624
Cattle - Indigenous	638318	189172	449146
Buffaloes	8567	2597	5970
Sheep - Cross bred	1321	557	764
Sheep - Indigenous	12157	4945	7212
Goat	294662	121360	173302
Pig - Cross bred	32587	19279	13308
Pig - Indigenous	309704	155446	154258
Horse/Donkey/Yak	15894	NA	NA
Poultry - Cross bred	2244231	NA	NA
Poultry - Indigenous	466785	181586	285199

2. SOIL & CLIMATE

Agro-climatic	Eastern Himalayan Region
Climate	Humid to Per humid Sub Tropical
Soil Type	Soils of Warm per Humid and Hot Humid

4. RAINFALL & GROUND WATER

	Normal (Cms)	Actual (Cms)	2015-16	2016-17	2017-18
Rainfall [in mm]	291.4	Actual (Cms)	2914	2707	2389
	Variation from Normal		-212	-207	-318
Availability of Ground Water [Ham]	Net annual recharge	Net annual draft	Balance		
	445403	200			

5. DISTRIBUTION OF LAND HOLDING

Classification of Holding	Holding Nos. in '000	% to Total	Area ha. in '000	% to Total
Below 0.5 ha. and 0.5 < 1 ha.	27	24	14	4
1.0 < 2.0 ha.	24	21	31	8
2.0 < 4.0 ha.	29	26	77	20
4.0 < 10.0 ha.	26	23	153	40
10.0 < 20.0 ha. And above	7	6	104	27
Total	113	100	379	100

7. DEMOGRAPHIC PROFILE [in '000]

	Total	Male	Female	Rural	Urban
Population	1384	714	670	1066	317
Scheduled Caste	0	0	0		
Scheduled Tribe	952	468	483		
Literate	766	440	326	536	230
BPL	401	200	201		

9. HOUSEHOLD AMENITIES [% Households]

Having brick/stone/concrete houses	24%	Having electricity supply	89%
Having source of drinking water	88%	Having independent toilets	61%
Having access to banking services	83%	Having radio/TV sets	73%

11. INFRASTRUCTURE RELATING TO HEALTH & SANITATION [Nos]

Community Health Centres	63	Dispensaries	2
Primary Health Centres	143	Hospitals	19
Primary Health Sub-Centres	587	Hospital Beds	2098

12. INFRASTRUCTURE & SUPPORT SERVICES FOR AGRICULTURE

Fertiliser/Seed/Pesticide Outlets [Nos]		Agriculture Pumpsets [Nos]	537
Total N/P/K Consumption [MT]	400	Pumpsets Energised [Nos]	32
Certified Seeds Supplied [MT]		Agro Service Centres [Nos]	
Pesticides Consumed [MT]		Soil Testing Centres [Nos]	1

14. INFRASTRUCTURE FOR STORAGE, TRANSPORT & MARKETING

Agriculture Tractors [Nos]	1980	Plantation nurseries [Nos]	
Power Tillers [Nos]	759	Farmers' Clubs [Nos]	340
Threshers/Cutters [Nos]		Krishi Vigyan Kendras [Nos]	13
Rural/Urban Mandi/Haats [Nos]	NA	Wholesale Market [Nos]	7
Length of Pucca Road [Km]	13157	Godown [Nos]	14
Length of Railway Line [Km]	NA	Godown Capacity [MT]	4000
Public Transport Vehicle [Nos]	255	Cold Storage [Nos]	1
Goods Transport Vehicle [Nos]	2956	Cold Store Capacity [MT]	5000

16. AREA, PRODUCTION & YIELD OF MAJOR CROPS

	2016-17		2017-18		Avg. Yield [Quintal/ha]
	Area (ha)	Prod. (MT)	Area (ha)	Prod. (MT)	
Paddy	131000	330000	132000	350000	27
Maize	50300	75450	50797	77216	15
Millet	26500	27030	26765	17300	10
Potato	5985	43092	6075	44044	73
Ginger	7775	56758	7860	55806	71
Chillies	3541	9915	3610	1028	29
Oilseeds	35215	36624	35570	36993	10

Production of Cotton(lint), Jute, Mesta & Sanhemp are in Bales(177.8 kg per bale in India)

18. INFRASTRUCTURE FOR DEVELOPMENT OF ALLIED ACTIVITIES

Veterinary	124	Animal Markets [Nos]	
Disease Diagnostic Centres	11	Milk Collection Centres	1
Artificial Insemination	100	Fishermen Societies	
Animal Breeding Farms	35	Fish seed farms [Nos]	4750
Animal Husbandry Tng	1	Fish Markets [Nos]	
Dairy Cooperative Societies	23	Poultry hatcheries	1
Improved Fodder Farms	7	Slaughter houses [Nos]	1

19. MILK, FISH, EGG PRODUCTION & THEIR PER CAPITA AVAILABILITY

Fish (2016-17)	Production [Tonnes]	4110	Per cap avail. [gm/day]	3
Egg (2015-16)	Production [Lakhs Nos]	427	Per cap avail. [nos/p.a.]	31
Milk (2017-18)	Production [litres]	244819	Per cap avail. [gm/day]	0.17
Meat (2015-16)	Production [000 Tonnes]	19	Per cap avail. [gm/day]	14

Source to be mentioned :

AH Census 2012, Statsitcal Abstract, Agriculture Census - 2015-16

Sources (if not mentioned against the respective item):

Item Nos. 1, 6, 7 & 10 - Census 2011; Item No. 4 - Rainfall Statistics of India-2016; Item No. 5 - Agriculture Census 2015-16; Item No. 9 - NFHS 2015-16; Item Nos. 2, 3, 12, 13 & 14 - Dept. of Agr./Dir. of Eco. & Stat. G.O.; Item No. 4 - Dept. of Agr./Water Resources; Item No. 8 - BPL Survey 2002; Item No. 15 - District Ind Centre/Dir. of Eco. & Stat.; Item No. 16 - Statistical Abstract 2018; Item No. 17 - Livestock Census 2012; Item Nos. 18 & 19 - Dir. of Animal Hus./Dir. of Eco. & Stat.

Chapter – 1

STATE PROFILE

Arunachal Pradesh serves as a vigilant guardian in the North-East region of the Indian Union, sharing an international border with China to the North, Myanmar to the East, and Bhutan to the West. It also shares inter-state borders with Nagaland to the East and connects with Assam in the South. Ranking as the 19th state in the country, Arunachal Pradesh boasts the largest landmass among the North-Eastern states, covering 83,743 sq. km, predominantly adorned with dense forest coverage. Rivers and streams originating from the higher Himalayas and Arakan Ranges flow down, forming the tributaries of Brahmaputra as they traverse the state. Positioned between 26.28° N and 29.30° N Latitude and 91.20° E and 97.30° E Longitude, the state is characterized by its expansive forest cover, accounting for about 80 percent of the total geographical area, recognized as the 12th Mega diversified hotspot globally, hosting 20 percent of the country's flora and a diverse array of fauna. Notably, two National Parks, Namdapha (Changlang district) and Mouling (East Siang district), along with three Wildlife Sanctuaries in Pakke (Pakke Kesang district), Miao (Changlang district), and Pasighat (East Siang district), contribute to the state's rich biodiversity.

2. Climate

Arunachal Pradesh experiences a varied climate dictated by its topography and elevation. The foothill zone, characterized by a subtropical climate, is hot and humid. During June, July, and August, summer temperatures in the lower valleys rise to 30°C to 40°C. Winter temperatures in December, January, and February generally range from 15°C to 21°C. In the monsoon season, temperature remains between 22°C to 30°C. As elevation increases, average temperature decreases, resulting in an alpine climate in the higher regions of the state, which witnesses snowfall during winter. The middle belt of Arunachal Pradesh enjoys a relatively cooler micro thermal climate.

3. Rainfall

The state experiences precipitation following the wet-dry monsoon pattern. The annual average rainfall is approximately 130 inches (3,300 mm), occurring predominantly between April and September during the wet southwest monsoon. In the central regions, the precipitation figure can reach as high as 160 inches (4,100 mm) or more per year. Table 1.1 provides the distribution of total rainfall for the year 2018.

Table 1.1: Rainfall in Arunachal Pradesh (2022)

Sl. No.	Rainfall during	Actual Rainfall (mm)	Deviation (% from Normal)
1	Winter – 2022 (Jan-Feb)	132.8	(-)0.2
2	Pre-Monsoon – 2022 (Mar-May)	838.2	10.7
3	Monsoon – 2022 (Jun-Sep)	1430.3	(-) 14.6
4	Post-Monsoon – 2022 (Oct-Dec)	359.4	48.8
5	Total Rainfall in Year – 2022 (Jan-Dec)	2810.6	0.1

Source: Rainfall Statistics of India – 2022, Hydromet Division, IMD, GOI

4. Annual Climate Change Trends

The state of Arunachal Pradesh is witnessing significant changes in annual mean maximum and minimum temperatures, showing an increasing trend. The winter mean maximum and minimum temperatures are also on the rise. Over the past 40 years, there has been an increase in the annual mean temperature, with an uptick of 0.05 degrees celsius per year and 0.59 degrees celsius overall. There is also a decline in annual average rainfall across the state. The period from 1980 to 2019 has marked a substantial decrease in southwest monsoon rainfall, along with a reduction in annual rainfall. This shift is accompanied by an increase in the number of dry spells and a decrease in the number of rainy days.

Arunachal Pradesh grapples with unique soil characteristics, with approximately 80 percent of the state's soil classified as acidic. Valleys experience ferrous toxicity, while hills and uplands face aluminum toxicity. The soil condition is further exacerbated by intensified rainfall, leading to increased leaching. These climate variations have adversely affected agriculture in the state, causing new crop and livestock diseases, decreased crop production, droughts, floods, and a scarcity of potable water. Recognizing its vulnerability, the state government has launched the "Climate Change Management Mission - 2047" to contribute to efforts in crisis mitigation. In alignment with this mission, the state government has introduced the 'Pakke Tiger Reserve - 2047 Declaration on Climate Change Resilient and Responsive Arunachal Pradesh,' emphasizing a multi-sectoral approach to low-emission and climate-resilient development through five overarching themes known as the Panch Dharas — environment, forest, and climate change; health and wellbeing; sustainable and adaptive living; livelihoods and opportunities; and evidence generation and collaborative action.

5. Agro-climatic Zones in Arunachal Pradesh

Arunachal Pradesh, known for its climatic diversity, is categorized into four agro-climatic zones. Each zone exhibits distinct characteristics:

- Tropical Zone: High rainfall and humidity, with summer temperatures ranging from 22°C to 6°C and winter temperatures from 10°C to 25°C, at an elevation of 80 - 900 m above MSL.
- Sub-Tropical Zone: Moderate rainfall and humidity, with summer temperatures from 15°C to 30°C and winter temperatures from 14°C to 21°C, at an elevation of 900 - 1800 m above MSL.
- Temperate Zone: Less rainfall, with cool temperatures ranging from 0°C to 22°C, and an elevation ranging from 1800 - 3500 m above MSL.
- Alpine Zone: Cool temperatures from 0°C to 20°C, with snowfall, and an elevation above 3500 m above MSL.

6. Demographic Profile of the State

Arunachal Pradesh comprises 25 districts, 27 census towns, and 5589 inhabited villages, with a population of 13.83 lakh. Males constitute 52.1%, and the sex ratio is 938 females per 1000 males. The rural population accounts for 77% of the total population, with a population density of 17 per sq km, the lowest among Indian states. The decennial growth rate is 25.92%, and the literacy rate is 65.38% as per the 2011 Population Census.

Out of the 5589 villages, 5258 are inhabited, and 331 are uninhabited. Over 94% of the rural population enjoys basic amenities and improved infrastructure with connectivity to nearby towns and cities. The state has 27 towns, with 26 being statutory and one being a census town with a minimal

resident population. Dibang Valley, covering an area of 9129 sq km, is the largest district, followed by West Siang (8325 sq km) and West Kameng (7422 sq km).

Arunachal Pradesh is home to approximately 110 tribes, with 26 major tribes such as Nyshi, Apa Tani, Hill Miri, Idu Mishmi, Miju Mishmi, Digaru Mishmi, Khamti, Nocte, and more. The state lacks a formal land tenure system, and no formal 'ownership right' of cultivable land has been issued to farmers. Customary rights on land vary among tribes, encompassing individual, family, clan, village, or community ownership. The working population in the state is detailed in Table 1.2.

Table 1.2: The size of Working Population in Arunachal Pradesh

Total/ Rural/ Urban	Total Population	Total Working Population	Total Main Workers	Total Marginal Workers	Cultivators (Main & Marginal)	Agri. Labour (Main & Marginal)
Total	1383727	587657	478721	108936	302723	36171
Rural	1066358	470315	377388	92927	298137	33558
Urban	317369	117342	101333	16009	4586	2613
Source: <i>Agricultural Statistics at a Glance 2018, Ministry of Agriculture & Farmers Welfare, GOI</i>						

7. Land Use Pattern

A mere 2.69 percent of the State's total geographical area is utilized for agricultural activities. The predominant land use in the state is devoted to extensive forest cover, encompassing four-fifths of its entire geographical expanse. Abundantly endowed with water resources, the state boasts two major basins, housing 06 sub-basins, 19 catchments, 108 sub-catchments, and 335 watersheds. The landscape is crisscrossed by numerous rivers and streams, offering substantial potential for utilizing these water resources for irrigation purposes, especially considering the relatively low industrial demand for water.

Table 1.3: Land Use Pattern in Arunachal Pradesh

Sl. No.	Land Use Type	Area ('000 Ha)	% of total Geog. Area
1	Geographical Area	8374	100.00
2	Reporting area for land utilization statistics	7228	86.45
3	Forest	6725	80.39
4	Land not available for cultivation	62	0.74
5	Other uncultivated land excluding Fallow Land	115	1.37
6	Total Fallow Land	101	1.21
7	Net sown Area	225	2.69
8	Gross cropped area	299	3.57
9	Cropping Intensity	136	--
10	Net irrigated area	48.73	--
Source: <i>Agricultural Statistics at a Glance 2018, Ministry of Agriculture & Farmers Welfare, GoI</i>			

8. Operational Holdings and Area of Operational Holdings

Comparing the data on the number of operational holdings and the corresponding land area in the State with the All India figures reveals a notably higher average size of holdings in the State, standing at 3.35 hectares. Approximately 1.13 lakh agricultural households operate on a vast expanse of 3.80

lakh hectares of agricultural land. Cropping intensity is 136 percent.

Marginal and small holders constitute 45 percent of the total number of holdings and occupy 12 percent of the total operational area in the state. This stands in stark contrast to the national average, where marginal and small farmers together account for 86 percent of operational holdings and 47 percent of the total operated area. Additionally, jhum cultivation remains the predominant farming practice in the state, making up about 55 percent of the total cultivation, although there has been a substantial increase in the area under settled cultivation in recent times.

Table 1.4: Number and Area of Operational Holding by Size Group

Category	Arunachal Pradesh				India			
	Operat'l Holdings ('000)	% of Share	Area of Oper'n ('000 ha)	% of Share	Operat'l Holdings (Million)	% of Share	Area of Oper'n (Mn ha)	% of Share
Marginal	27	23.9	14	3.7	100.2	68.4	37.9	24.0
Small	24	21.2	31	8.2	25.8	17.6	36.2	22.9
Semi-Medium	29	25.7	77	20.3	14.0	9.6	37.6	23.8
Medium	26	23.0	153	40.4	5.6	3.8	31.8	20.2
Large	7	6.2	104	27.4	0.8	0.5	14.3	9.1
Total	113	100	380	100	146.4	100	157.8	100

Source: Agriculture Census 2015-16, GoI.

9. Economy of Arunachal Pradesh

The State Economy grew at an average rate of 12.53 percent from 2012-13 (R) to 2022-23 (Advance) at current prices as against an all India average rate of 11.05 percent. The Per Capita Income of the state has changed by 73.68 % during 2011-12 to 2022-23 while that of the country changed by 35.12 percent.

Chart 1.1: GDP/GSDP Y-o-Y Growth (%)

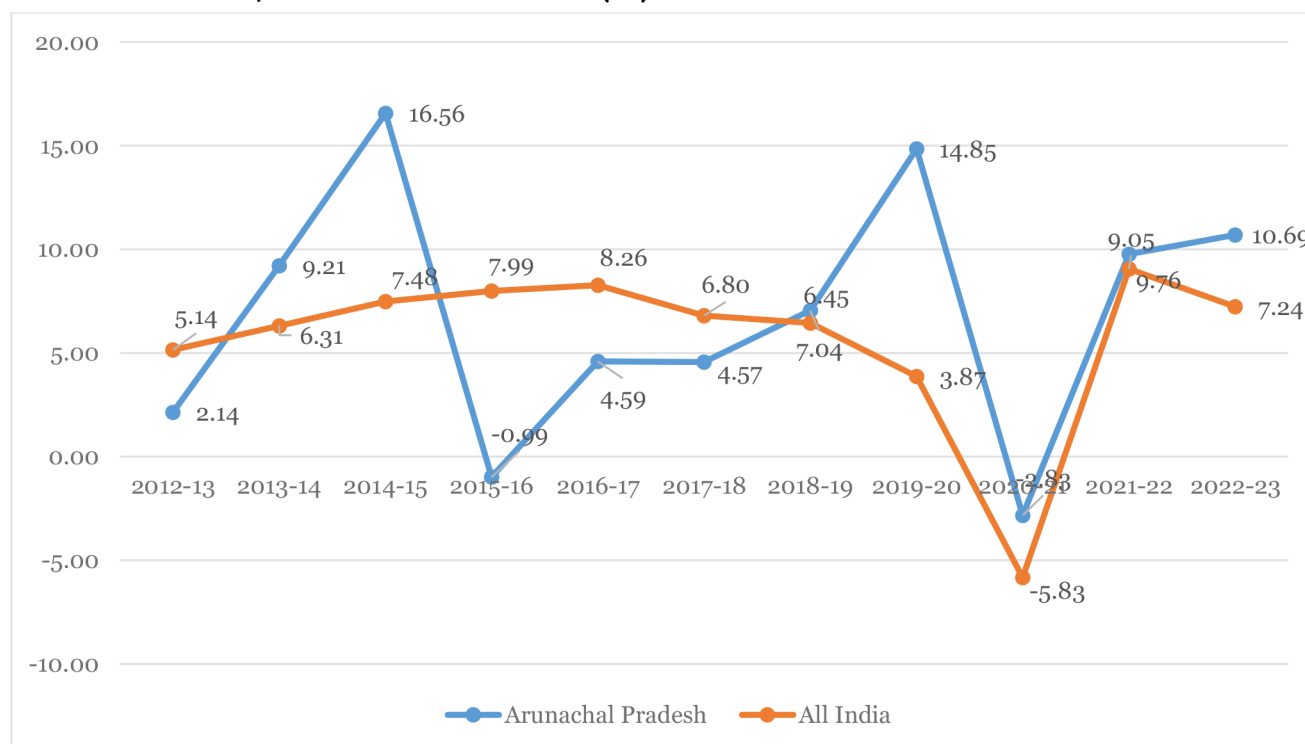
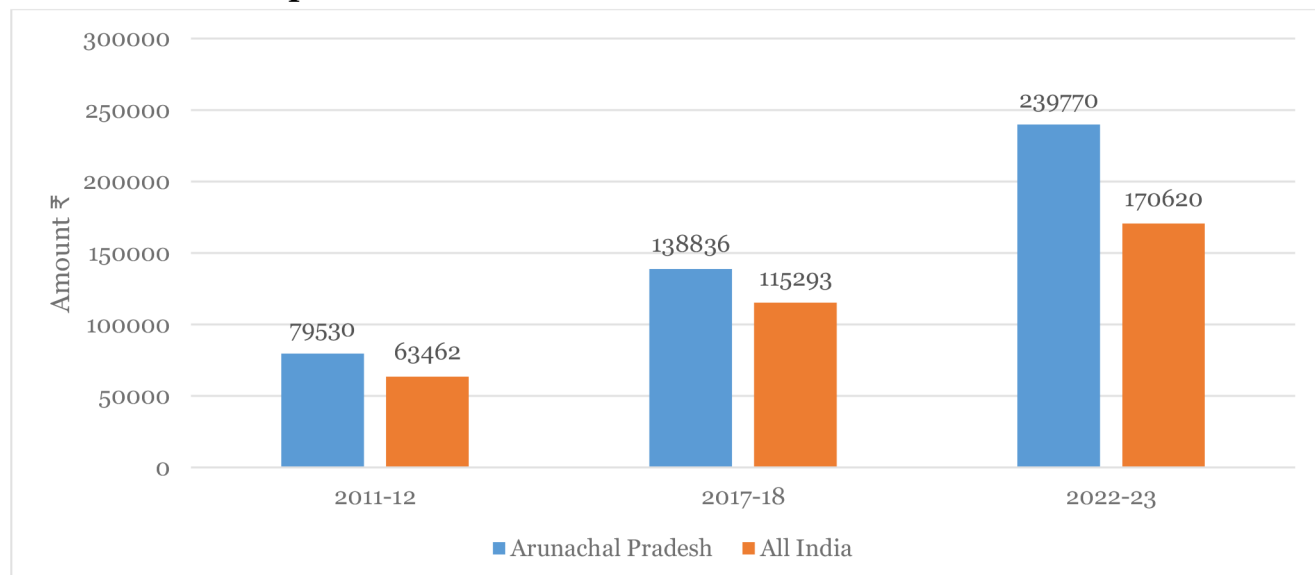


Chart 1.2 : Per Capita Income

As per the state's budget 2023-24, Revenue Expenditure forms around 69 percent of the total estimated expenditure. While there has been an enhancement in the capital expenditure, the same needs to be increased for creation of productive assets in the state. The devolution of tax and grant from the centre continue to be the major components of budget receipts and there has been an increase in both the components in the current year after a reduction during the pandemic.

The non-debt components in Capital Receipts forms less than 1% implying heavy borrowings by the government. Open market borrowing has reduced, while share of other sources has increased. Share of loan from NABARD is estimated to increase to 18.54%. Around 50 percent of the public debt is estimated to be spent on interest payments and servicing of debts in Budget 2023-24. Moreover, the outstanding of the borrowing and other debt liabilities is expected to reach 53.03% of GSDP. This shows the heavy stress of debt which may curtail productive finances.

10. Sectoral Share of GSDP

The sectoral composition of GSDP growth at constant prices was highest in Tertiary Sector during 2022-23 at 45.23%, followed by Primary Sector at 35.91% and Industry Sector at 18.86%.

Table 1.5: Sectoral Share of GSDP at Constant Prices (In Percentage Share)

Particulars	Primary Sector	Secondary Sector	Tertiary Sector
2011-12 (R)	44.08	17.19	38.73
2017-18 (R)	32.99	23.55	43.46
2022-23 (A)	35.91	18.86	45.23
Source: <i>Department of Economics & Statistics, Govt. A.P, Itanagar.</i>			

In 2011-12 (Revised), crops (Agriculture & Horticulture) contributed the highest around 56 percent to primary sector while fishing & aquaculture led (62.26%) in 2022-23(Advanced). On the other hand, Electricity, Gas and other utility services (47.38%) is main component of Industry sector, while Public Administration (38.73%) is that of Tertiary Sector in 2022-23.

11. MSME Sector in Arunachal Pradesh

According to the Annual Survey of Industries (ASI) for the year 2017-18, Arunachal Pradesh housed 117 factories employing 3298 individuals and generating a gross value of output amounting to ₹99,998 lakhs. Collectively, these factories contributed to a net value added of ₹12,206 lakhs. It's noteworthy that ASI covered the state for the first time in 2014-15. Regarding the status of the food processing sector in Arunachal Pradesh, it remained largely inactive, although there is potential in the state.

A survey on Unincorporated Non-Agricultural Enterprises (excluding Construction), conducted during the 73rd round of the National Sample Survey (NSS) between July 2015 and June 2016, estimated the number of such enterprises in the country for the fiscal year 2015-16 as 6.34 crore. In Arunachal Pradesh, there were 22,766 such enterprises, constituting a minimal percentage of 0.036%. Of the total units in the state, a majority (52.2%) are located in urban centers, with the remaining 47.8% situated in rural areas.

Table 1.6: Estimated number of unincorporated non-agricultural enterprises

Sl. No.	Sub category	No. of	Rural			Urban			Total		
			OAE	Estt	Total	OAE	Estt	Total	OAE	Estt	Total
1	Manufacturing	Units	200	178	378	220	379	599	420	557	977
		Workers	318	518	836	306	965	1271	624	1483	2108
2	Trade	Units	8214	898	9112	5942	2551	8494	14157	3450	17606
		Workers	10703	2001	12704	7951	5979	13930	18654	7980	26634
3	Other services	Units	718	667	1385	913	1885	2798	1631	2552	4183
		Workers	1123	2865	3988	1318	7022	8339	2441	9886	12327
4	Total	Units	9132	1743	10875	7075	4815	11891	16208	6559	22766
		Workers	12144	5384	17528	9575	13966	23540	21719	19349	41069

Source: NSS Report No.581: Operational Characteristics of Unincorporated Non-Agricultural Enterprises (excluding Construction) in India, 2018. OAE =Own Account Enterprises, Estt = Establishments

Out of the total estimated number of enterprises in Arunachal Pradesh, 4.3% were engaged in 'manufacturing', 77.3% enterprises were in 'trading' and 18.4% were in 'other services' (details as above-Table 1.7). In Arunachal Pradesh, Own Account Enterprises (OAEs) (i.e. enterprises that do not employ any hired worker on regular basis) had the major share (71.2%) in the unincorporated non-agricultural enterprises (excluding construction) in the country, while only about 28.8% engaged hired workers on a fairly regular basis (Establishment-Estt category). The share of OAEs was 84.0% in the rural areas and 59.5% in the urban areas.

12. Power Sector

The estimated installed capacity of power in the state is 258 Mega Watt. The electricity generation in the state is to the tune of 1280.3 Mwh. The transmission distribution losses are one of the highest at 44.87%. The rural household electrification as on 31 March 2019 in the state stands at 100% against the all India average of 99.99% (as per information available in Deen Dayal Upadhyay Gram Jyoti portal). The hydel potential of the state is estimated at 58,600 MW, which, if fully exploited, could meet more than 25% of the energy requirement of the country.

The State Govt. is working on a mission mode to boost the power production capacity of the State. It has taken up an ambitious plan to set up 51 Micro Hydel Projects of which 24 Micro Hydel projects in 11 districts of Arunachal Pradesh have been sanctioned under RIDF-XXVII and XXVIII in Tawang,

West Kameng, East Kameng, Kurung Kumey, Upper Subansiri, Shi-Yomi, Upper Siang, Anjaw, Dibang Valley, Lower Dibang Valley and Changlang districts. This project will be implemented by Department of Hydro Power Development **(DHPD)**. Under this project, 3205 kw of electricity will be produced using Micro Hydel plants which will definitely boost the power availability in the State.

Chapter 2

BANKING PROFILE

Outreach of the Banking Sector

The banking system plays a pivotal role in the state's rural economy, fostering the development of agriculture, industry, trade, and business. Credit, both short-term and long-term, is instrumental in facilitating agricultural production and capital formation. With a limited presence of NBFCs and informal credit institutions, the significance of formal credit agencies is heightened.

A network of 231 bank branches spans the state, comprising 103 rural and 128 semi-urban branches. Despite the above-average number of branches per lakh population (16.69, compared to the national average of 14.74), there is a considerable service area per branch (362.5 sq km), underscoring the need for the promotion of digital banking in rural areas.

Commercial banks operate 162 branches, Arunachal Pradesh Rural Bank has 32, and Arunachal Pradesh State Cooperative Apex Bank maintains 37 branches as of March 31, 2023. The state's cooperative credit structure follows a two-tier system, consisting of the State Coop Bank at the Apex level and LAMPS at the bottom level, primarily engaged in PDS business.

The state boasts a network of 296 ATMs, with a notable concentration in semi-urban areas (212) compared to rural areas (84). To enhance banking accessibility, efforts are crucial, especially in the 32 blocks lacking any bank branch or CSP out of the total 112 blocks in the state (as of March 31, 2023).

2. Deposit Outstanding

As on 31 March 2023, total deposit with the banks in the State was ₹27,485 crore. Commercial banks accounted for the major portion of 93.5%, followed by APRB at 4.4% and APStCAB Ltd at 1.9%. During the last 5 years, share of commercial banks was almost 94% and RRBs share varied in the range of 4.2% to 4.6%.

Table 2.1: Agency-wise Deposit Outstanding as on 31 March 2023

Year	Deposit O/s (₹lakh)				YoY growth (%)			
	Total	Com. Banks	RRBs	Coop.	Total	Com. Banks	RRBs	Coop.
2019	1682900	1582235	70969	29696	24.3	25.0	12.0	21.3
2020	1737812	1629358	73353	35101	3.26	2.98	3.36	18.20
2021	2008644	1873908	89226	45500	15.58	15.00	21.63	29.62
2022	2484866	2326652	109361	48853	23.71	24.16	22.57	7.37
2023	2748570	2569912	125529	54370	10.61	10.45	14.78	11.29
Source : SLBC, Arunachal Pradesh								
Note : Figures in parenthesis refer to share to total								

During the last five-year period, there is an average increase of more than 15% in the total deposit in the state. While RRB and commercial banks had an average growth rate of 14.5%, Cooperative Bank registered an average growth 17.5 % during the same period.

3. Total Advances from Institutional Sources

The most important shortcoming of the banking scenario in the state is low level of loan disbursement, which got reflected in the advance outstanding as well. Aggregate outstanding advances of all banks as on 31 March 2023 was ₹9550 crore (Table 2.2). The share of commercial banks, APRB and APStCB is at 78.31%, 3.84% and 3.45%, respectively during the year. SLBC, while estimating the credit flow from institutional sources in the state, also takes into account the loan from North Eastern Development Finance Corporation (NEDFI) as well as the loan availed by the State Government from NABARD under RIDF, which is 14.39% of total advances during the year.

Table 2.2: Agency-wise Advances Outstanding as on 31 March 2023

Year	Advances O/s (₹Lakh)					YoY growth (%)				
	Total	Com. Banks	RRBs	Coop	NEDFI/ RIDF	Total	Com. Banks	RRBs	Coop	NEDFI/ RIDF
2019	505307	375952	19744	30992	78619	17.00	16.40	10.70	4.10	17.00
2020	564681	427315	16162	33245	87959	10.51	13.66	(-)18.14	7.27	11.88
2021	656998	500990	19982	33281	102744	16.34	17.24	23.63	0.10	16.80
2022	779602	600532	25748	33940	119382	18.66	19.87	28.86	1.98	16.19
2023	955055	747938	36682	32956	137479	22.51	24.55	42.47	(-)2.90	15.16

Source : SLBC, Arunachal Pradesh
Note : Figures in parenthesis refer to share to total

It is encouraging to note that the rate of growth of advances outstanding has outpaced the rate of growth of deposits in the state during 2022-23. During the last five years there is an average increase of advances of 18% in the State. While commercial banks and RRB had an average growth of advances of 18.34% and 17.2% respectively, Cooperative Bank could register an average growth of only 1.26% during the period.

4. CD Ratio

The CD ratio of the State saw an upward swing during 2022-23 (Table 2.3). However, at 34.75% it is well below the national parameter of 60%. The Credit Deposit Ratio of Commercial Banks, APRB and Coop. Bank as at the end of March 2023 was 29.11%, 29.22% and 60.61% respectively. Though CD Ratio of commercial banks and RRB has increased over that of the previous year, it is still very low and needs drastic improvement.

Table 2.3: Agency - wise CD Ratio in the State as on 31 March 2023

Year	C D Ratio (%)				Percentage point changes (YoY)			
	Com. Banks	RRBs	Coop	Total	Com. Banks	RRBs	Coop	Total
2019	23.80	27.80	104.40	30.00	-1.70	-0.20	-17.30	-1.90
2020	26.23	22.03	94.71	32.49	10.17	-20.75	-9.28	8.30
2021	26.74	22.39	73.13	32.71	1.94	1.63	-22.78	0.67
2022	25.81	23.54	69.47	31.37	-3.48	5.14	-5.00	-4.10
2023	29.11	29.22	60.61	34.75	12.78	24.12	-14.61	10.77

Source : SLBC, Arunachal Pradesh

5. Performance under Annual Credit Plan (ACP)

The State Level Bankers' Committee (SLBC) communicates the Annual Credit Plan (ACP) to banks for implementation each year. The performance of various sub-sectors within the priority sector lending during 2022-23 is summarized in Table 2.4. Notably, there has been a significant rise of ₹296 crore in the ground-level flow of credit in 2022-23.

Table 2.4: Target & Achievement under Annual Credit Plan (₹lakh)

Year	Agriculture Sector		MSME Sector		Other Priority Sector		Total Priority Sector	
	Target	Ach.	Target	Ach.	Target	Ach.	Target	Ach.
2018-19	14031	6635	6666	20648	32230	11450	52926	38733
2019-20	44449	4498	12258	14660	5874	3764	62581	22922
2020-21	46511	4627	16659	36387	7379	2959	70550	43974
2021-22	10333	9316	47176	46010	10508	3928	68017	59254
2022-23	6317	15803	49974	68104	3592	4914	59883	88821

Source : SLBC, Arunachal Pradesh

ACP targets were allocated both agency wise as well as bank wise. It is seen that achievement is high owing to lower growth of target. There is no uniformity in the level of achievement across various banks (Table 2.5). The commercial banks hold key in the total GLC in the state with a share of almost 86.59% in the total PSL target, 86.04% in the overall achievement and 89.74% in respect of agriculture sector achievement. It may be noted that, at 41.80%, ACP achievement vis-à-vis target is the lowest in APSCB. There is a need to relook in ACP allocation to APSCB, in view of high CDR (61%) achieved by the bank.

Table 2.5: Target and achievement ACP 2022-23 – Agency-wise (₹lakh)

Agencies	Agriculture Sector		MSME Sector		Other Priority Sector		Total Priority Sector	
	Target	Ach.	Target	Ach.	Target	Ach.	Target	Ach.
Comm. Banks	5005	14182 (283.36)	38147.04	60053.77 (157.42)	2628	2189 (83.29)	51855	76425 (147.38)
APRB	1111	1468 (132.06)	4703.42	8040.05 (170.94)	552	2581 (467.65)	7294	12089 (165.74)
APSCB	201	153 (76.21)	413.77	10.00 (2.42)	112	144 (128.19)	734	307 (41.80)
Total	6317	15803 (250.17)	49973.75	68103.82 (157.41)	3592	4914 (136.81)	59883	88821 (148.32)

Source : SLBC, Arunachal Pradesh

Note : Figures in parenthesis refer to level of achievement as % to target

For the year 2023-24, the ACP target for the State as given by SLBC is fixed as ₹792 crore.

Table 2.6: Target ACP for 2023-24 – Agency-wise (₹lakh)

Agencies	Agriculture Sector	MSME Sector	Other Priority Sector	Total Priority Sector
Comm. Banks	14257	49117	3566	66939
APRB	3590	6599	902	11091
APSCB	614	471	77	1162
Total	18461	56187	4545	79192

Source : SLBC, Arunachal Pradesh

6. Performance under KCC

KCC has been evolved as a tool to provide hassle free credit to meet agriculture and related expenditure. However, penetration of KCC in Arunachal Pradesh is very low considering the number of farmer households. During the year 2021-22 & 2022-23, the performance of Kisan Credit Card in the state is provided in Table 2.7.

Table 2.7: Performance under KCC

Agency	KCC Limit 2022-23			No of KCC issued (2022-23)	O/s No of A/C		O/s Amt. (₹lakh)	
	Target	Ach.	Ach (%)		2022	2023	2022	2023
Comm. Banks	2221	2541	114.41	4827	10919	9627	7669	6580
APRB	499	282	56.51	1696	2978	2721	2265	2126
APStCABL	50	3	6.00	884	906	884	556	563
Total	2770	2826	102.02	7407	14803	13232	10490	9269
Source : SLBC, Arunachal Pradesh								

Performance of private banks, APRB and APSCB is well below the target set for 2022-23. In view of modifications brought in the coverage of the KCC, to cover allied activities also, it is imperative to expand the spread of KCC to benefit the farming community in the State.

7. Performance under PMEGP

The Prime Minister Employment Guarantee Programme (PMEGP) is being implemented through commercial banks in the state. Although the sanctions and disbursement of loans by banks under the programme are improving satisfactorily, the recovery of loans is very poor which has been around 2% till 2017-18 but improved to close to 17% during 2018-19. However, the same has dropped to 11.5% in 2019-20 and the position for 2022-23 is not available. However, the sector is still backlashed with high level of NPAs (as percent of loan outstanding) at about 21% as on 31 March 2023.

Table 2.8: Performance under PMEGP in Arunachal Pradesh as on 31 March 2023

Year	Target	No. of applications			Amount Sanctioned (₹lakh)	Disbursed		Recovery (% to demand)
		Received	Sanc.	Rejected		A/cs	Amt (₹lakh)	
2016-17	250	247	140	107	545	NA	NA	1.4
2017-18	622	486	423	55	1004	349	812	1.4
2018-19	189	NA	NA	NA	NA	281	524	16.8
2019-20	190	NA	NA	NA	NA	127	372	11.5
2020-21	200	NA	127	NA	750.99	135	423.47	NA
2021-22	200	NA	237	NA	1908	231	1311	NA
2022-23	235	NA	250	NA	2102	158	1157	NA
Source : SLBC, Arunachal Pradesh								

8. Recovery Performance under Priority Sector Lending

The major shortcoming of the banking sector in the state is the poor recovery of loans. Overall recovery percentage in case of loan extended to total priority sector (agriculture Sector, industries & service sector) in the state as on 31 March 2020 stood at 24.02% only leaving an overdue level of 75.98% (Table 2.9). The gross NPA level has slightly improved as on 31.03.2020 at 7.25% (4.81% for agriculture, 10.65% for

industries and 6.61% for services sector). The high NPA of APStCAB in all the three sectors is a cause of concern.

Table 2.9: Recovery Performance under Priority Sector Lending

Agency	2019-20	
	Recovery (%)	NPA (%)
Agriculture Sector		
Commercial Banks	18.52	21.39
APRB	0	4.27
APStCAB Ltd	0	24.71
Total	18.52	4.81
Industry Sector		
Commercial Banks	15.30	11.86
APRB	NA	8.23
APStCAB Ltd	NA	47.39
Total	15.30	10.65
Service Sector		
Commercial Banks	80.79	1.32
APRB	NA	2.12
APStCAB Ltd	NA	44.83
Total	80.79	6.61
Total Priority Sector		
Commercial Banks	24.71	10.05
APRB	NA	5.04
APStCAB Ltd	NA	32.53
Total	24.02	7.25

Source : SLBC, Arunachal Pradesh

9. Advances to Minority Communities

There is no consistent flow in advances from banks to minority communities. There has been a fluctuating trend in terms of number of beneficiaries covered during last 5 years, though there is an increase in the overall amount disbursed under the category over the period.

Table 2.10: Advances to Minority Communities as on 31 March 2023 (₹lakh)

Year	Muslim		Christian		Sikh		Buddhist		Total Minority Communities	
	No	Amt	No	Amt	No	Amt	No	Amt	No	Amt
2018-19	309	919	9606	37468	11	62	4843	13857	22470	76060
2019-20	725	1868	5957	57700	35	237	6655	23737	23028**	83548
2020-21	943	1958	10534	28444	121	211	6147	12952	17786**	43629
2021-22	859	2394	12975	36077	146	437	7005	17062	20991**	55984
2022-23	1220	5584	18808	48270	151	511	11726	30307	31912**	84677

Source : (i) SLBC, Arunachal Pradesh

** includes advances to Zoroastrians and Jains

10. Advances to Weaker Section

The coverage of advances to weaker sections in the State is good. However, the coverage which declined significantly during 2020-21, increased in 2021-22 and 2022-23.

Table 2.11: Advances to Weaker Sections as on 31 March 2023**(₹lakh)**

Year	SC/ST		Women Beneficiaries		Physically handicapped		Total WS	
	No	Amount	No	Amount	No	Amount	No	Amount
2019	41241	191594	32060	90268	81	316	73378	280274
2020	19939	117533	11912	46782	4	5	31855	164320
2021	14267	40644	5497	4085	NA	NA	39910*	71904*
2022	16902	52088	7633	5409	NA	NA	60147	102226
2023	18774	83104	4252	2307	NA	NA	58109	149263
Source : SLBC, Arunachal Pradesh/ *including other categories of weaker section								

11. Financial Inclusion

According to the 2011 Census, the state comprises 5589 inhabited villages, including 11 with a population above 2000, 105 with a population between 1000 and 1999, and 3747 with a population below 1000. Currently, all villages with a population exceeding 2000, 97 villages with a population between 1000 and 1999, and 596 villages with a population below 1000 have been successfully covered under financial inclusion programme.

NABARD is actively supporting the financial inclusion programme by providing financial assistance from the Financial Inclusion Fund, specifically created for this purpose. The fund aims to facilitate "developmental and promotional activities" to enhance financial inclusion, especially among weaker sections, low-income groups and in underdeveloped regions or previously unbanked areas. The progress in financial inclusion within the state primarily revolves around the opening of PMJDY accounts, with details given in Table 2.12. While significant strides have been made in PMJDY, there remains room for improvement in the implementation of PMJJBY, PMSBY, and APY.

Table 2.12: Opening of PMJDY Account- Cumulative (Nos. of Accounts)

Agencies	2020-21	2021-22	2022-23
Com Banks	312923	322868	337448
APRB	25300	28897	38920
APSCB	22031	21752	21263
Total	360254	373517	397631
Source : SLBC, Arunachal Pradesh			

12. Financial Literacy Efforts

A notable concern in the state is the existing lack of financial literacy. Recognizing the pivotal role of financial literacy in driving financial inclusion, particularly by stimulating demand for financial products among the economically disadvantaged, NABARD has taken proactive measures. As of March 31, 2023, NABARD has approved 1104 financial literacy camps, disbursing funds to various banks in the state. Additionally, support has been extended for disseminating banking technology, including the purchase of three Mobile Vans by APStCAB Ltd. Furthermore, an allocation of ₹17.50 lakh has been sanctioned to APStCB Ltd for Micro ATMs.

To boost digital transactions, NABARD offers grant support to banks for organizing Digital Financial Literacy Programmes (dFLAP) and acquiring POS machines, chip-based RuPay KCC cards, ATMs, Micro-ATMs, and Solar Powered VSAT.

Table 2.13: Financial inclusion camps sanctioned under FIF 2022-23

Sl. No.	Name of Bank	No of FL Programmes	Amount (₹lakh)
1	SBI	200	12.00
2	APRB	100	6.00
3	Apex State Coop. Bank	60	3.60
4	India Post Payment Bank	18	1.08
	Total	378	21.68

NABARD has facilitated adoption of core banking solution in APStCB Ltd in all branches of the bank and has provided support in the form of identification of suitable CBS solution, coordination with the vendor, setting up a dedicated team to monitor the status of implementation and sort out any bottlenecks etc.

13. Progress under GOI Social Security & other Schemes

The details of enrolment under some schemes as reported by SLBC, Arunachal Pradesh as on 31.03.2023, has been given in Table 2.14.

Table 2.14: Status of Social Security Schemes

Agency	PMJDY	PMJJBY	PMSBY	APY
Com Banks	337448	226834	466398	25804
APRB	38920	25711	43349	1646
APSCB	21263	796	960	17
Total	397631	253341	510707	27467
<i>Source : SLBC, Arunachal Pradesh</i>				

Achievement under PMMY as on 31 March 2023 has been provided in Table 2.15.

Table 2.15: Pradhan Mantri Mudra Yojna

Sl. No.	Scheme	2021-22		2022-23	
		No	Amt. (₹ lakh)	No	Amt. (₹ lakh)
1	Shishu	3291	1192	2277	586
2	Kishor	3204	5409	3828	7324
3	Tarun	1577	9272	710	5410
4	Total	8072	15872	6815	13322
<i>Source : SLBC, Arunachal Pradesh</i>					

14. Financial Health of Rural Financial Institutions: RRB & Cooperatives

Arunachal Pradesh State Cooperative Bank Ltd (APStCB) is the apex bank functioning in the state. There is two-tier cooperative credit structure in the State – Arunachal Pradesh State Cooperative Apex Bank Ltd with its 37 branches and 34 LAMPS at the Primary Level. APStCB has 133 shareholder member cooperative societies including Govt. of Arunachal Pradesh. State Govt. has contributed 99.75% of total share capital. The cooperative structure in the state is very weak. The primary level societies i.e. LAMPS are not having required linkage for business development including credit disbursement to the members. Basic parameters of RFIs in the state as on 31 March of 2022 & 2023 are presented in Table 2.15.

Table 2.16: Basic Banking Details of RFI (₹lakh)

Sl. No.	Particulars	APRB		APSCB	
		2022	2023	2022	2023
1	Number of Branches	31	32	37	37
2	Total Deposit	109361	125530	48853	54370
3	Total Advances	25748	36682	33940	32956
4	CD Ratio (%)	23.54	29.22	69.47	60.61
5	Priority sector advance as% to total advance	64.65	51.07	45.21	44.42
6	Agri advance as% to total advance	14.52	4.00	28.40	4.64

Arunachal Pradesh Rural Bank (APRB) is the only Regional Rural bank in the state. APRB has good financial health as Gross NPA is within 6%, CRARs above 9% and profits increasing continuously in last three years.

Chapter 3

NABARD'S PERCEPTION ON THE DEVELOPMENT OF THE STATE

Arunachal Pradesh is primarily an agrarian economy, with agriculture and allied activities contributing over one-third to the state's GSDP. Around 80% of the population reside in rural areas and practice subsistence farming. The state's unique topography, climate, and culture sets it apart. Covering 2.55% of India's total geographical area and 31.94% of the North East, Arunachal Pradesh demonstrated economic growth, with an increase in GSDP from ₹33,181 crore in 2021-22 to an estimated ₹39,939 crore in 2022-23 (State Budget, GoAP).

Economic Growth

From 2012-13 to 2022-23, the state's economy exhibited an annual average growth rate of 12.53%, surpassing the all-India average of 11.05%. Notably, the growth rate for 2021-22 and 2022-23 stands at 10.74% and 11.82%, respectively, compared to the all-India rates of 17.24% and 15.39%, according to estimates from the Department of Economics and Statistics, Govt. of Arunachal Pradesh.

Table 3.1: State's GSDP vis-a-vis All India (at current prices) (₹ in lakh)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
India's GDP	1709004200 (11.03)	1889966800 (10.59)	2007485600 (6.22)	1980091400 (- 1.36)	2321470300 (17.24)	2730775100 (15.39)
State's GSDP	2247477 (12.93)	2526825 (12.43)	2793295 (10.55)	2996304 (7.27)	3318103 (10.74)	3993878 (11.82)

Note: Figures in brackets indicate percentage growth.

2. Capital Formation in Agriculture and Increase in Production/Productivity

Due to traditional and subsistence farming practices dominating the state, there is a lack of agricultural surplus, limited capital formation, and entrepreneurial skills. Achieving self-sufficiency in food grains remains a challenge despite government initiatives. Arunachal Pradesh heavily relies on food grain imports to meet domestic demands, with a net sown area of only 2.69% (2.25 lakh ha) of its total geographical area, the lowest among all states. The State has considerable untapped potential for agricultural expansion, with 24% of net sown area under irrigation.

Major food grain crops are rice (58.38% of area; 74.06% of production) and maize (22.34% of area; 15.97% of production), constituting 80.72% of the area and 90.04% of total food grain production. Rice productivity (27.50 qtl/ha) slightly exceeds the national average (27.00 qtl/ha), with 39% under Jhum cultivation yielding 11.0 qtl/ha and 61% under settled cultivation with a high yield of 32 qtl/ha. Maize yield (15.50 qtl/ha) in the state is notably lower than the national average (30.00 qtl/ha), while pulses (10.60 qtl/ha) have a higher yield compared to the national average (8.17 qtl/ha).

Table 3.2: Area, Production & Productivity of major crop groups during 2022-23

Sl. No.	Crop	Area (ha)	Production (MT)	Productivity (Qtl/ ha)
A	Food Grains			
1	Paddy	137166	381596	27.82
2	Maize	54643	86281	15.79
3	Millets	27462	28468	10.36
4	Wheat	4018	7945	19.77

Sl. No.	Crop	Area (ha)	Production (MT)	Productivity (Qtl/ ha)
5	Total Food Grains	187583	468455	24.97
B	Pulses	13783	14831	10.76
C	Oilseeds	35706	37491	10.50
D	Horticulture Crops**	49499	154198	03.11
E	Spices **	12340	18756	1.51
<i>Source: Statistical data, Department of Agriculture, GoAP-22-23, **Statistical Abstract 2022-23, Department of Horticulture, GoAP</i>				

Among horticultural crops, orange accounts for 64.57% (34,574 ha) of total horticultural area and contributes 58.32% of total production of fresh fruits. Pine apple, banana, apple & kiwi occupy 5.85%, 4.70%, 12.39% and 8.07% of total horticultural area in the state and contribute 16.58%, 10.58%, 8.4% and 6.81% to total fresh fruit production, respectively.

3. Financing of Small/Marginal Farmers, Oral Lessees/Tenant Farmers/Share Croppers

- Average operational holding is 3.35 ha, exceeding the national average.
- SF/MF constitute 43% of operational land holdings.
- Banking system finances small farmers through KCC. On a cumulative basis, banks have issued 13,232 KCCs with loan outstanding of ₹9269.25 lakh
- NABARD recommends extending KCC to oral lessees, tenant farmers, and share croppers via Joint Liability Group (JLG) financing.

4. Kisan Credit Card / Rupay KCC, Crop Insurance, Land Records, Digitization and creation of charges

- The Kisan Credit Card (KCC) scheme, introduced by NABARD in 1998, ensures timely credit availability for farmers.
- KCC limits include credit for consumption, equipment maintenance, and insurance premiums, fixed for 5 years.
- In 2022-23, KCC loans of ₹2826 lakh were issued in the State, which is around 12% lesser than the previous year.
- Slow KCC loan extension and low penetration is mainly due to non-availability of land documents, low branch density, limited outreach of banks and difficult topographical conditions. Pradhan Mantri Fasal Bhima Yojna (PMFBY) is not operational in the State due to non-availability of yield data.
- Computerization and digitization of land records, cadastral survey, and formal land tenure are not initiated.
- State Government's Krishi Rinn Yojana offers 4% interest incentive on prompt KCC loan repayment.

5. Agriculture and Allied activities – Prospects and Performance

- Rising demand for meat, fish, and dairy products in the state.
- Heavy dependence on other states for animal-based products.
- Per capita availability of milk, egg, and meat in the state lower than the national average.
- Despite a significant cattle population, commercial livestock activities are not popular.
- Livestock rearing is a common supplementary vocation for marginal and small farmers.

- Traditional activities like poultry farming and piggy adopted by tribal farmers.
- Poor access to services due to the state's large geographical area and sparse population.
- Animal Husbandry and Veterinary departments, Krishi Vigyan Kendras, and research institutions offer support.
- Limited credit flow to the sector; RBI directive to extend KCC to animal husbandry and fisheries farmers.
- NABARD facilitates banks by setting unit costs; ₹15,000 crore Animal Husbandry Infrastructure Development Fund for private investments.

6. Climate Change-Adaptation and Mitigation

- Arunachal Pradesh, with a 350 BCM average run-off, faces recurring floods and landslides due to heavy precipitation.
- The state's significant forests, vital for its large tribal population, confront various threats like shifting cultivation and forest fires.
- Despite being India's second richest state for genetic resources, Arunachal Pradesh has low GHG emissions, with agriculture contributing 75% of CH₄ and 39% of N₂O.
- Analysis projects a 2.3% increase in annual precipitation in the Brahmaputra basin by 2030s but a 5-15% decrease within the state.
- Climate change impacts are expected, with 12.4% of forested grids affected by 2030s and 7% by 2080.
- The State Government's second version of the Climate Change Action Plan addresses vulnerability and adapts various sectors, including forestry, agriculture, and energy.

(i) Adaptation Fund

NABARD has been accredited as the National Implementing Entity (NIE) for India by the Adaptation Fund Board of UNFCCC. With a view to generate feasible projects, NABARD undertook various steps such as conducting of National Interface, series of state level workshops, capacity building of its own staff and partner institutions, partnership with national and international agencies, etc. This has resulted in generation of many feasible projects on climate change adaptation. 06 projects with an outlay of US \$9.8 mn posed to AFB have been sanctioned and are under implementation. During 2018-19, Adaptation Fund Board (AFB) has sanctioned US \$50,000/- to NABARD under south-south cooperation to support the Govt. of Islamic Republic of Afghanistan (GIROA) for National Implementing Entity (NIE) accreditation in Afghanistan.

(ii) Green Climate Fund

The Green Climate Fund (GCF) has been established under United Nations Framework Convention on Climate Change (UNFCCC) to make a significant and ambitious contribution to the global efforts towards attaining the goals set by the international community to combat climate change. It aims at redistribution of money from the developed to the developing world, in order to assist the developing countries in adaptation and mitigation practices to counter climate change. NABARD has been accredited as the first National Implementing Entity (NIE) under Green Climate Fund (GCF) in India in the 10th Board meeting of GCF held during July 2015. As on date, 02 projects have been sanctioned by NABARD under GCF in the country viz. - Solar Rooftop US\$ 100 m and Ground water Recharge US\$ 34.35 m in Odisha.

(iii) National Adaptation Fund for Climate Change (NAFCC)

This fund has been established by Govt. of India to help states in implementing climate adaptation projects in line with the National and State Action Plan on Climate change. The fund will be utilized to support the states to meet the incremental / full cost of adaptation activities. Govt. of India has designated NABARD as NIE for implementation of adaptation projects under NAFCC. Under this arrangement, NABARD would perform roles in facilitating identification of project ideas / concepts from State Action Plan for Climate Change (SAPCC), project formulation, appraisal, sanction, disbursements of funds, monitoring & evaluation and capacity building of stakeholders. As on date, NABARD has sanctioned 30 climate adaptation projects under NAFCC, in various states, with a grant of ₹847.73 crore, of which, ₹542 crore has been released.

In Arunachal Pradesh, a project on “Addressing Climate Change Vulnerability of Papum-Poma River for Conservation and Recharging of its Spring” with financial support of ₹23.91 Cr has been sanctioned under NAFCC. The project is being implemented by Department of Forest and Environment, Government of Arunachal Pradesh in 28 identified villages of Papum Pare District and so far ₹17.60 crore has been released.

(iv) NABARD Climate Change Fund

In order to mitigate the adverse impacts of Climate Change and promote climate resilient development, a Climate Change Fund with a corpus of ₹5.0 crore was created by NABARD from out of its own resources, which is replenished from time to time. The Fund would be used for the purpose of promoting projects/ activities that:-

- Create awareness on Climate Change issues among various stakeholders.
- Facilitate sensitization and capacity building of stakeholders on Climate Change related aspects.
- Promote, demonstrate and propagate innovative Climate Change adaptation /mitigation interventions in pilot scale.
- Promote, demonstrate and propagate Climate-resilient livelihoods.
- Promote, demonstrate and propagate equitable and sustainable agriculture and rural development.

NABARD has also created another fund, viz. CCF-ID for supporting activities under this sector.

7. Promotion of Farmers’ Producer’s Organization

Promotion of Farmers’ Producer’s Organizations will help to scale up sustainability, achieve economies of scale, offer end-to-end solutions affecting farmers and ensure better price realization. Of the 77 FPOs promoted so far by the State Government & other agencies (including GoI CSS for formation & promotion of 10,000 FPOs), NABARD has supported formation of 13 FPOs. The details of FPOs in the state are given below:

Table 3.3: FPOs in the state

Sl. No.	Promoted by/under	No. of FPOs promoted
1	Mission Organic Value Chain Development for North East Region	46
2	NABARD	13
3	CSS for “Formation and Promotion of 10,000 new FPOs”	12
4	SFAC	06
	Total	77

Department of Agriculture, Government of Arunachal Pradesh provides considerable emphasis on promoting Farmer Producer. Towards this end, the Govt. of Arunachal Pradesh has formulated ‘Chief

Minister Krishi Samuh Yojna (CMKSY)', under which target of formation of 50 FPOs have been envisaged for putting in place an enabling ecosystem for FPOs promotion in the State. Major objectives of the scheme include (i) empowering the farmers through cooperative approach (ii) infusing timely support (iii) facilitate, plan and implement product-specific cluster (iv) commercial approach in Agriculture and allied sector for better price realization (v) cooperative approach of farming and other allied activities (vi) strengthening farmers' capacity (vii) ensuring access to the usage of quality inputs and services, etc.

8. Promotion of FPOs in Seed Sector

The significance of quality seeds in agriculture cannot be overstated, as it directly influences productivity and production. India has made notable strides in seed production, boasting an industry valued at approximately ₹18,000 crores and exhibiting growth. Despite this, India's seed export is modest, representing less than ₹1,000 crores annually, while the global seed trade stands at \$14 billion. Recognizing the potential for growth, particularly in capturing a 10% share amounting to ₹10,000 crores by 2028, the promotion of seed production as a business activity for Farmer Producer Organizations (FPOs) is recommended.

To achieve this, a systematic approach is proposed:

- **Identify Seed Production Clusters:** Identify clusters in the state conducive to seed production and estimate Seed Replacement Rates (SRR) on a district-wise and crop-wise basis.
- **Mapping of Resources and Roles:** Map the presence of ICAR Institutes, SAU Research Stations, KVKs, Seed Producer Groups, ongoing seed village programs, private companies, FPOs, and Seed Certifying Agencies. Delineate their roles, services to seed producers, and assess the potential for forming or strengthening FPOs.
- **Exploration of Existing Schemes:** Explore existing schemes of the Government of India (GoI) and State Government, especially those implemented through RKVY. Map information on capital investments and explore convergence opportunities, including the utilization of state-created infrastructure.
- **Business Plan Development:** Prepare business plans, facilitated by FPOs or sponsoring agencies, to assess the financial viability and bankability of seed production plans. Gradually cover all major crops in the FPO's command area, starting with a major crop and extending to vegetables, pulses, oilseeds, and contractual farming with the private sector.
- **Convergence of Grant-Based Programmes:** Plan convergence of NABARD's grant-based promotional programmes (FSPF, FPOs, WDF, etc.) with government-sponsored initiatives. Encourage banks to support capital investments and address working capital requirements, if convergence with state schemes is not possible.

9. Micro, Small & Medium Enterprises (MSME)

The MSME sector holds a pivotal role in generating substantial employment opportunities with comparatively lower capital costs than large industries. Additionally, it contributes significantly to the industrialization of rural and backward areas in Arunachal Pradesh. Industries such as Khadi and village enterprises, bamboo crafts, weaving, handicrafts, and agro-based industries play a crucial role in the state's economy.

The industry sector contributes around 28% to the Gross State Domestic Product (GSDP) of Arunachal Pradesh, with a primary focus on the handloom and handicraft sector. Similar to other parts of the country, women predominantly engage in handloom and handicraft activities in Arunachal Pradesh. The state has established self-employment training centers at the state and district levels to enhance traditional and modern local skills in carpentry, weaving, hand pottery, brasswork, silverwork, woodcarvings, jewelry making, smithy work, knitting, cane and bamboo work, carpet making, etc. NGOs and cooperative societies actively participate in preserving, promoting, and improving these skills, enhancing the socio-economic life of rural and semi-urban populations. Notable infrastructure includes 88 crafts/weaving centers, 886 training/weaving centers, a research and design center at Doimukh, a mechanized dyeing unit at Doimukh, and five Industrial Training Institutes (ITIs) for holistic development of handlooms and handicrafts. Additionally, there are 17 sales emporiums, six showrooms (located at Longding, Tuting, Mariang, Mecha, Miao, and Doimukh), and two sales outlets in New Delhi and Kolkata, aiming to boost sales and popularity of handloom and handicraft products from Arunachal Pradesh.

To support the MSME sector and off-farm activities, NABARD provides grant assistance for livelihood generation through Skill Development Programs (SDPs), capacity building interventions for onboarding on e-commerce platforms including ONDC, support for producers' groups, and marketing initiatives in the form of Rural Marts and Rural Haats. The focus of these programmes is on upgrading and reviving traditional skills, aligning with post-Geographical Indication (GI) activities.

The Deen Dayal Upadhyaya Bunkar Yojana is implemented to encourage women weavers to access affordable credit for working capital requirements up to ₹2.00 lakh, with the Government of Arunachal Pradesh providing a 7% interest subvention on short-term credit.

In 2022-23, GI registration for indigenous products has been a significant initiative, empowering communities, supporting brand building, and creating local employment. Of the 18 identified products, Tangsa textile, Yak Churpi, Khampti Lahi, Adi Kiker, Handmade Carpet and Wooden Wancho Craft have already obtained GI registration.

10. Micro Credit

The SHG-Bank Linkage Programme, initiated by NABARD, has evolved from a small pilot programme involving 500 SHGs in 1992 to the world's largest microfinance initiative, encompassing over 13.5 crore rural households. As of March 31, 2023, there are more than 1.34 crore SHGs with collective bank deposits reaching approximately ₹58,892 crore. The annual loan disbursements stand at about ₹1,45,200 crore, and outstanding loans amounting to nearly ₹1,88,078 crores.

While maintaining its objective of expanding outreach, the SHG-BLP aims to reinvent itself, empowering more members to utilize the programme as a platform for enhancing economic activities and elevating income levels. This necessitates the identification of suitable livelihood opportunities, skill enhancement, mentoring, market development, and various other developmental initiatives.

In the state, NABARD has transitioned away from an active role in SHG promotion. ArSRLM has been actively forming and nurturing SHGs in all the districts. NABARD's involvement persists through livelihood support and skill development programs, including livelihood generation, capacity building interventions, marketing initiatives.

11. Rural Infrastructure and linkage support

The state's development pace faces significant hurdles due to various infrastructural challenges. Arunachal Pradesh exhibits a low road density of 25.16 km per 100 sq km, with roads covering less than 50% of the 5589 inhabited villages. Additionally, over half of the rural households lack access to drinking water, and the state's health infrastructure is notably inadequate. The state grapples with challenges like all-weather connectivity issues and an unsatisfactory power situation, both acting as impediments to industrial development, agricultural commercialization, and tourism growth.

The combination of poor connectivity, challenging topography, dense forest cover, frequent floods, landslides, and a thinly dispersed population collectively elevates the complexity and cost of infrastructure provision and service delivery.

Required State Government interventions are given in Annexure III.

12. Financial Inclusion

According to the 2011 Census, the state boasts 5589 inhabited villages. Of these, 11 villages have populations surpassing 2000, while 105 villages have populations ranging from 1000 to 1999, and 3747 villages house populations below 1000. Financial services have been extended to all villages with populations above 2000 and those with populations ranging from 1000 to 1999, excluding 34 villages with populations below 1000.

NABARD is actively contributing to the financial inclusion initiative, utilizing financial assistance from the Financial Inclusion Fund specifically created for this purpose. The fund's primary objective is to support "developmental and promotional activities," emphasizing enhanced financial inclusion, especially among weaker sections, low-income groups, and in underdeveloped regions and previously unbanked areas. While the state has made significant strides in opening PMJDY accounts, there is room for improvement in the implementation of PMJJBY, PMSBY, and APY. Banks are actively working to prioritize the inclusion of unbanked villages in their ongoing efforts.

13. Past Trends in credit flow

During 2022-23, the total credit flow to the Priority Sector from institutional sources in the state reached ₹888.20 crore. This comprised of ₹158.03 crore to Agriculture sector, ₹461 crore to MSME sector, and ₹49.14 crore to Other Priority sector.

As of March 31, 2023, the aggregate outstanding advances from all banks amounted to ₹9550 crore, reflecting a notable increase of 20.68% compared to the previous year. Among the contributing entities, Commercial banks held the major share at ₹7479.38 crore, followed by APRB at ₹366.82 crore and APStCB Ltd. at ₹329.56 crore. The SLBC, in its assessment of outstanding advances from institutional sources, considered loans from North Eastern Development Finance Institution (NEDFI) and the State Government's loan from NABARD under RIDF, totaling ₹1374.79 crore as of March 31, 2023.

14. Enhancing farmers' income

Income of farmers is essentially linked to the size of their holdings. The major components of their income include: Income from wages, cultivation /farming, livestock and non-farm activities. Various interventions in the form of reduction of costs through low input agriculture, increased investments in agricultural infrastructure like irrigation, improving management and water use efficiency, enhancing production through yield increase promoting integrated farming system, augmenting

scientific storage capacity including cold chain, promotion of food processing and risk mitigation systems through crop insurance etc. are necessary for enhancing income.

Building synergy by including various programmes and policy initiatives given below:

- Government of India: PMKSY, Paramparagata Kheti, e-NAM, PMFBY, Skill India, Direct Benefit Transfer (DBT), PMJDY, FDI in food processing sectors, etc.
- NABARD: FPO promotion, Watershed and Wadi development, Support for Digital Village and Less - cash Village (reducing cash transaction), SHGs, JLGs, FI programmes, Seed Village, etc.
- State Government: Rural infrastructure creation through RIDF, Various State sponsored programmes/schemes.
- Corporate Social Responsibility initiatives: NHPC has been launching various CSR initiatives such as solar street lights, skill development programmes and others in Arunachal Pradesh.

15. Sustainable Agriculture Practices

Currently, farmers predominantly focus on crop production, which is susceptible to income and employment uncertainties. Recognizing this, the integration of various agricultural enterprises holds significant potential to augment farmers' income and enhance family labor employment.

An Integrated Farming System (IFS) is characterized as "a thoughtful combination of two or more components, employing the cardinal principles of minimal competition and maximal complementarity, along with advanced agronomic management tools, with the aim of achieving sustainable and environmentally friendly improvements in farm income, family nutrition, and ecosystem services." Income assessments from farms indicate that diversified farms with more than two enterprises yield twice the income compared to those with two or fewer enterprises. Achieving these goals requires scientifically designed IFS, ensuring minimal competition and maximum complementarity.

The key components of IFS include crops, livestock, birds, and trees. Crops may involve subsystems such as mixed/intercrop and multi-tier crops. Livestock components may include milch animals, goats, sheep, poultry, and piggery, while tree components encompass fruits, timber, fuel, and fodder. Factors such as soil type, rainfall, its distribution, and the length of the growing season are crucial considerations in selecting an appropriate IFS model.

State Government has placed 3 goals for development of agriculture & allied sectors in Arunachal Pradesh. One of such goal is the "Sustainability of agriculture with crop diversification including livestock & fishery development". The focus has been given on key cash crops and budgetary allocation of ₹125.00 crores has been made each under Atmanirbhar Krishi and Atmanirbhar Bagwani Yojana to support intensive agriculture and horticulture activities in the state. State Government also promotes diversification and integration of farm activities with allied activities through programmes such as Atmanirbhar Pashupalan Yojana, with a budget of allocation of ₹30.00 crores. Further Atmanirbhar Plantation scheme will be implemented with an allocation of ₹75.00 crore and Atmanirbhar Matsyapalan Yojana will be implemented to increase production of fish in the state with an allocation of ₹20 crores during 2022-23.

16. Agro Forestry

Presently, agriculture sector is confronted with issues like mono-cropping, reduction in per capita land holding (approx. 1.1 ha), increase in number of Marginal and Small farmers, limited scope for horizontal expansion of land for agriculture purpose, high dependency on monsoon with assured

irrigation facilities available in only 46% of the net sown area, climate risk, etc. Thus, the economics does not get much in favour of the sector which harbours a major portion of the population.

For mitigating risks viz. economic as well as environment and for better returns, one of the viable options could be 'Agro-Forestry' which has traditionally been a way of life and livelihood in India for centuries. The role of agroforestry in improving land productivity, soil conservation, bio-amelioration, climate moderation, and increasing farmers' income is widely acclaimed. There can be various elements of Agro-Forestry System. However, the basic element is 'Agriculture' which in broader sense encompasses agronomic crops, horticulture activities & animal husbandry activities integrated with trees or woody perennials. The system can also facilitate additional income generation through Integrated Farming with elements like poultry, mushroom growing, fish farming, beekeeping, sericulture etc. A very important feature of Agro-Forestry System is interaction between the elements which makes it unique and distinctive land use system.

17. Watershed Initiatives - Banking Plan and increase in Credit Flow

Watershed development interventions in the districts includes irrigation at stages for crop growth, alternate row method of irrigation. WRD, Horticulture Dept., Forestry Department, and NGOs are involved in implementation of various water conservation programmes in the districts of the state. Existing schemes being taken up under irrigation sector are essentially micro in nature and they are not enough to cater to the actual demand. They only assist in diverting water from seasonal streams/ rivers to the fields.

NABARD has been implementing watershed development projects on participatory approach for conserving natural resources and Adivasi Development Projects known as "wadi" for improving the socio-economic status of the tribal families across the country for more than two decades. All these projects are implemented with grant/ grant-cum-loan assistance by NABARD with the help of local NGOs. In Arunachal Pradesh, NABARD has already supported nine Springshed based Watershed projects in seven districts viz., Lower Subansiri, Papum Pare, West Kameng, Lower Dibabng Valley, Kamle and Longding with an objective to rejuvenate the springs flowing down the hills for the purpose of proper water management and use in agricultural activities.

18. Skill India Scheme related to agriculture and non-agriculture

Skill Development Initiative (SDI) is implemented by NABARD with the objective to address the skill gap in rural areas. It is aimed to support unemployed youths/ unskilled/semiskilled for skilling up and leading to gainful employment by wage/ self-employment. The scheme is being implemented since long for skilling in agriculture/ non- agriculture activities. The scheme is implemented through various stakeholders like NGOs/ RSETIs/ training institutes. In Arunachal, 16 such programmes were sanctioned including 11 training programmes during 2021-22 so far for skilling 480 youths in the state.

Chapter 4

POTENTIAL CREDIT OUTLAY

Total Priority Sector Potential

As a part of credit potential estimation exercise, NABARD has prepared PLPs for all the districts in the state. These projections are based on parameters such as technical feasibility, availability of infrastructure, availability of exploitable resources, cropping pattern, agriculture practices and other developmental indices such as access to markets, strength and weakness of credit delivery system, etc. The aggregate credit potential for the overall priority sector for the state for 2024-25 has been assessed and estimated at ₹116285.51 lakh. Sub-sector wise total priority sector projections for 2024-25 are presented in this chapter covering major areas in Agriculture / Allied sector, MSME and Other Priority Sector. Broad sub sector-wise estimated credit potential for the year 2024-25 is given in Table 4.1.

Table 4.1: Sub-sector wise total priority sector projections for 2024-25

Sl. No.	Sub-sectors	Amount (₹lakh)
1	Crop Loan	14355.99
2	Water Resources	152.00
3	Farm Mechanization	1465.17
4	Plantation & Horticulture	8144.23
5	Forestry & Wasteland Dev.	630.36
6	AH- Dairy Development	2157.47
7	AH - Poultry Development	1910.77
8	AH - Sheep, Goat, Piggery Devt.	1572.48
9	Fisheries Development	2930.20
10	Farm Credit- Others	698.45
11	Storage & Marketing infrastructure	1566.34
12	Land Development, Soil conservation, Wasteland Dev.	320.80
13	Agri. Infrastructure –Others	138.99
14	Food and Agro Processing	1587.00
15	Others - Ancillary	120.05
16	ACABC	194.48
17	Others – Missc.	54.20
18	MSME Investment	53435.20
19	MSME Working Capital	18045.52
20	Education	1046.25
21	Housing	1960.28
22	Social Infrastructure involving Bank Credit	1335.00
23	Renewable Energy	393.38
24	Others - Loans to SHG, JLG, PMJDY, etc.	2070.90
	Total	116285.51

Some of the parameters used for projections undergo a change every year viz., changes in Government's priorities and policies, strengthening of rural infrastructure, market forces, cost escalation, etc., and these changes necessitate a re-look at the credit potential projected for the previous year. Certain constraints which have repercussions on the potential of the State as well as

some suggestion/action points are also indicated in this chapter, which can be used by the stakeholders in the development of the State.

4.1 Credit Potential for Agriculture

4.1.1 Farm Credit

Agriculture sector contributes to more than 38% of the GSDP and employs around 63% of the total workers. Of the vast total geographical area of the state, just 2.69% is utilized for crop cultivation. The state has undulating topography and the plains with below 5 degrees slope are limited to 12434 sq km including river beds. Though the scope for area expansion for cultivation of field crops is limited, ample potential exists for plantation crops as well as certain high value crops in most of the districts of the state.

(i) Crop Production & Maintenance and Marketing of crops

Status of the sector

Among food grain crops, highest area is under paddy, followed by maize, millet, pulses and wheat. In terms of production, paddy accounts for more than 70% of the total food grain production followed by maize, millet, pulses and wheat. The area under major food grain crops has shown a rising trend, since 2012-13.

In terms of productivity, Paddy shows an increasing trend since 2005-06. Similarly, productivity of maize and wheat has also increased since 2010-11. However, the yield of maize and wheat in the state is less in comparison to all India average yield of these crops. Only in case of pulses, the yield is more than the national average.

Table 4.2: Area under food-grain crops (Area in ha.)

Crops	2020-21			2021-22			2022-23		
	Area (ha)	Prod. (Tons)	Yield (Kg/ ha)	Area (ha)	Prod. (Tons)	Yield (Kg/ ha)	Area (ha)	Prod. (Tons)	Yield (Kg/ ha)
Paddy	133767	370535	27.70	136484	378567	27.74	137166	381596	27.82
Maize	511651	80307	15.70	54215	85399	15.75	54643	86281	15.79
Wheat	3930	7742	19.70	4010	7916	19.74	4018	7945	19.77
Millet	26817	27622	10.30	27120	28015	10.33	27462	28468	10.36
Pulses	13363	14298	10.70	13569	14535	10.71	13783	14831	10.76
Oilseeds	35706	37491	10.50	36509	38528	10.55	36724	38919	10.60
<i>Source: Statistical Abstract of Arunachal Pradesh 2023, Directorate of Agriculture</i>									

The low yield in all the major cereal crops can be improved by bringing more area under HYV crops and adoption of other modern and sustainable technological interventions like application of bio fertilizers, biochemicals etc. The productivity of various crops compares favourably when compared to other NE States, except that of wheat.

Use of inputs for agriculture

Most of the farmers are still following traditional way of cultivation in the state. The use of modern inputs such as HYV seeds, chemical fertilizers and pesticides / plant protection measures is limited and confined to a few pockets in the State. As per the Statistical Abstract – 2023, only about 40% of the net cropped area

is under HYV. Although practice of soil testing is not widely practised though there are 5 soil testing lab and 3 mobile soil testing labs existed, the State Govt. has plans to prepare soil fertility map to plot the micro-nutrient profile of soil in various parts of the State. The State is also taking measures to popularize application of fertilizers based on results of soil testing and crop demonstration and publicity with the help of ATMA, which may improve application of modern methods of input use, thereby, increase productivity in turn.

Usage of chemical fertilizer is one of the lowest in Arunachal Pradesh. It is also reported that almost 81% of the gross cropped area is under organic way of cultivation. The State has duly recognized the importance of support services for development of agriculture. There are efforts to increase yield of crops by extensive use of organic manure and need-based application of inorganic fertilizer keeping in consideration the preservation of soil nutrients. The Integrated Pest Management programme is being intensified along with awareness creation for use of bio-pesticides, rodent control methods, seed treatment and need-based use of agro-chemicals.

Kisan Credit Card (KCC)

Kisan Credit Card is an effective credit delivery mechanism to ensure provision of timely and adequate credit. The status of KCCs issued by the banks in the state as on 31 March 2023 stood at 13232 with a cumulative loan outstanding of ₹9269.25 lakh. In view of hardship in getting KCC, SLBC in co-ordination with the State Government has devised a common format for issue of Land Possession Certificates to farmers by Gaon Burahs. GOI and RBI have advised the banking institutions to take steps for coverage of all eligible farmers.

In order to provide interest free crop loan to the farmers of the state and to enable them towards easy access to formal credit through banking channels, GoAP has launched CM's Krishi Rinn Yojana. By this scheme, GoAP would provide interest subvention of 4% on crop loan/ KCC limit upto ₹3.00 lakh sanctioned by banks to the farmers. The farmers would also get additional 3% interest subvention on prompt repayment of their crop loan within one year of disbursement of loan.

Agriculture Extension System

Apart from the Department of Agriculture of the State Govt., Agriculture Technology Management Agency (ATMA), Krishi Vigyan Kendras (KVKs), NGOs are the other agencies which are stakeholders in the extension system. There are 15 KVKs functioning in 15 districts in the State, which lead the agriculture extension activities bringing technology to the farmers' field. The focus of these institutions is on demonstration of latest agricultural technology, testing and verifying the suitability of the technology in the socio-economic condition of farmers.

Post-Harvest infrastructure

One of the weakest links in the agri value chain in the state is the post-harvest management of agriculture produce which is vital for arresting wastage and ensuring remunerative prices to the farmers for their produce. In the state, 07 wholesale markets and 24 rural primary markets have been established at various locations. However, establishment of similar markets need to be supported in many more pockets of the State by the Agriculture Marketing Board. In order to improve the marketing access of the enterprising farmers, APMC Act, 1989 was amended in 2008 to provide for contract farming and facilitate establishment of private market yards to encourage private investment in agriculture marketing.

Post-harvest losses, especially in perishables, are a major concern. With the objective of providing farmers' access to competitive markets with adequate infrastructure including cold chain logistics and to enable them to realize better prices, GoI announced ₹1.00 lakh crore fund to finance agriculture infrastructure projects at the farm gate and produce aggregation. The decision to channel the funds to agricultural cooperatives, farmer producer organisations, rural entrepreneurs and start-ups is encouraging. It lays the responsibility of creating the appropriate infrastructure or logistics solution largely on the main beneficiaries, the farmers. The move to address the needs of fish workers, livestock farmers, vegetable growers, beekeepers and related activities.

Further, GoI has set up an Agri-Market Infrastructure Fund (AMIF) with a corpus of ₹2,000 crore with NABARD for developing and upgrading agricultural marketing infrastructure in the GrAMs and Agriculture Produce Market Committee (APMC) Markets and circulated the Scheme Guidelines to the States/Union Territories (UTs). Since it is a demand driven scheme from the States/UTs, there is no State-wise and year-wise allocation of the fund. The Government of India has already advised States/UTs for submitting proposal for assistance under AMIF. Setting up of agri-marketing infrastructure and storage facilities through cooperative structure is one of the feasible options in the State.

Recent developments

The State Government plans to bring more area under cultivation, improve production and productivity, facilitate transition from mono cropping to multiple cropping, technology transfer and strengthen marketing network.

State Government has launched single umbrella scheme by subsuming various ongoing schemes to augment the potential of Agriculture, Horticulture & Allied sector in the state. Keeping in view the success of the scheme, GoAP has continued the Atmanirbhar Schemes for the financial year 2023-24. The Govt. has made budgetary allocation of ₹375 crore under the Atmanirbhar verticals comprising of five schemes viz. Atmanirbhar Krishi Yojana, Atmanirbhar Bagwani Yojana, Atmanirbhar Pashupalan Yojana, Atmanirbhar Matsyapalan Yojana and Atmanirbhar Plantation scheme. For promotion of Intensive Millets Cultivation & processing in Arunachal Pradesh in line with International year of Millet, a provision of ₹ 2 Cr has been made in the budget 2023-24. A provision of ₹50 lakh has been made for specially designed Agricultural Drone / Pesticide spraying Drone on Pilot basis. Similarly, an amount of ₹5 crore has been budgeted for development of State Remote Sensing Application Center (SRSAC).

Issues in agriculture

- In general, agriculture in the state is characterized by low input intensive and low productivity. It is essential to improve productivity of major crops by bringing more area under HYV crops, improving SRR of major crops like paddy and maize through suitable seed production programme involving varietal replacement, adequate availability of quality HYV seeds suitable for agro-climatic conditions, setting up of adequate seed storage facilities etc.
- It is also necessary to increase cropping intensity from the current level of 136% and bring more area under cash crops & oilseeds through area expansion and crop diversification for ensuring higher return on investment.
- Availability of quality seed and seedlings are highlighted as a hindrance in increasing yield of crops in the state. Added to this is the poor quality of extension services, especially from KVKs.

- There is a need for post-harvest management in agriculture sector such as provision of scientific storage, processing facilities, transportation, marketing infrastructure, etc.
- Awareness creation assumes importance for promotion of various GoI schemes in this context. The agriculture extension services have to be strengthened at both district and block levels to improve supply of quality inputs, facilitate adoption of modern methods of farming and post-harvest management.
- Crop Insurance is not operative in the state on account of lack of adequate data and infrastructure, adversely impacting commercialization of agriculture in the state.

Projections for Short term credit for the year 2024-25

Considering the potential, infrastructure available/likely to be made available and based on discussions with the stake holders in promotion of the sector, the short term credit potential is assessed at ₹14355.99 lakh for the year 2024-25.

Suggested action points

- New and improved varieties need to be introduced as well as populating the practice among the farmers by line department & extension agencies. Popularize increased adoption of scientific agriculture techniques by farmers across the State.
- Infrastructure gaps like lack of good approach farm roads in potential area, soft connectivity, marketing infrastructure, etc. need to be addressed.
- All eligible farmers including those following dairy, poultry, and fisheries activities should be covered under KCC, popularizing KCC facilities to Joint Liability Groups, SHGs etc.
- Streamline the process of issue of Land Possession Certificate (LPC) and made available to all eligible farmers to enable them in availing of bank credit.
- KVKs, ATMA & agriculture department should motivate the farmers about improved method of crop production adopting the same for better production by availing credit facilities.
- Proper marketing linkage & farm linked roads are needed for infrastructure development in agriculture production.
- Banks to improve their coordination with line departments in order to increase the credit flow on agriculture loans and efforts to cover all eligible farmers across the State.
- Value chains of agricultural produce need to be strengthened so that farmers get adequate prices for their produce.
- Farmers' collectives / Associations may be encouraged to convert themselves into Producers' Groups / Companies to involve in agri supply value chain.
- Pradhan Mantri Fasal Bima Yojana may be implemented with a view to mitigate the risk of farmers.
- Institutions dealing with promotion of agriculture and marketing of produce may be made functional and vibrant.

(ii) Water Resources

Status of the sector

The State is blessed with enormous water resources. It has two major basins within which it has 6 sub-basins, 19 catchments, 108 sub-catchments and 335 watersheds. Many rivers and streams crisscross the State uniformly and there is ample scope for using the available water resources for irrigation purposes as the industrial demand for water is very less. Farming with assured irrigation is one of the

critical inputs for weaning away the primitive shifting cultivation practices of the tribal farmers. It would also help in making agriculture a sustainable economy of the State by enhancing productivity and maintaining the ecological balance. The undulating topography of the State limits the scope for major and medium irrigation projects. Even the irrigation infrastructure created so far is prone to damages due to geological fragility and extreme rainfall pattern of the region requiring additional funds for special repair and maintenance of these assets. Thus, the prudent way to improve irrigation facility is to create minor irrigation structures.

Irrigation Status

The Net Irrigated Area in the state is 56,887 ha out of the total Net Sown Area of 2,34,800 ha. (Statistical data, Department of Agriculture, GoAP-2021). The State is availing benefits of the Accelerated Irrigation Benefit Programme (AIBP) for minor irrigation and flood control measures. The irrigation projects once completed are handed over to the beneficiary farmers, who manage the normal operation and maintenance works.

There is immense opportunity for exploitation of ground water for irrigation, as the Ground water level in the State is in the safe zone. As per the estimates, about 50,000 ha area can be brought under irrigation through ground water development. The State is promoting deep tube wells for irrigation with the assistance from the Central Sponsored Scheme for Strengthening of Surface and Ground Water for minor Irrigation.

The dedicated Micro Irrigation Fund, set up by GoI with NABARD, would supplement the efforts of Per Drop More Crop Component (PDMC) of PMKSY in an effective and timely manner.

With the additional investment for micro irrigation accessing MIF, innovative composite/ commodity/ community/ cluster based micro irrigation projects/ proposals may bring about 10 lakh ha under irrigation. The Fund will facilitate States to mobilize resources for their initiatives, including additional (top up subsidy) in implementation of PMKSY-PDMC to achieve the annual target of about 2 Million ha/year during the remaining period of 14th Finance Commission under 'Per Drop More Crop' Component of PMKSY as recommended by the Group of Secretaries.

Issues

Climate change has emerged as an important challenge for agriculture and rural livelihood sectors, particularly for the water resources sector. Some of the activities that can mitigate the effects of climate change /help in adaptation to climate change, are as follows:

- Installation of water saving devices like drip and sprinkler systems which may require awareness creation through leaflets, field visits, etc.
- Construction of check dams, divers or small reservoirs to control water at times of heavy inundation. The submergence of the crops due to excess water in the monsoon seasons could be avoided.
- Taking appropriate measures to arrest the alarmingly dwindling levels of ground water such as evolving an agricultural system which economizes water usage and maximizes value from water.
- Construction of rain water harvesting structures like farm ponds and artificial recharge structures especially in over exploited/critical areas. Promotion of installation of solar pumpsets.

- Restoration of the encroached water bodies like tanks, ponds, etc. and drainage channels to the extent feasible.
- Diversification of cropping pattern so as to shift from dry land farming.
- The State encounters problems of landslides in upper altitude belt, landslides coupled with bank erosion of valley regions in the middle belt and bank erosion together with flooding problems in the foothill belt.

Projections for the year 2024-25

Considering the potentials, infrastructure available likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential assessed at ₹152.00 lakh for the year 2024-25 as detailed in Annexure-I.

Suggested Action Points

- The State needs to enact the Water Policy and Irrigation Policy, which would provide directions for development of water resources in the State.
- Government line departments may provide suitable guidance to the farmers about land / water management. More number of training and capacity building programmes may be imparted for irrigation water management, participatory irrigation etc.
- The extension work needs to be strengthened and supply of necessary inputs for establishment of irrigation structures as well as proper technical guidance and maintenance support may be ensured.
- Banks need to provide adequate credit support to eligible farmers.

(iii) Farm Mechanization

Status of the sector

Farm mechanization is an important element of modernization of agriculture. Farm Productivity is positively correlated with the availability of farm power coupled with efficient farm implements and their judicious utilization. Agricultural mechanization not only enables efficient utilization of various inputs such as seeds, fertilizers, plant protection chemicals and water for irrigation but it also helps in poverty alleviation by making farming an attractive enterprise. Farm operations like hoeing, irrigation, harvesting, threshing and marketing need to be performed at appropriate time, otherwise the yield and farm income is adversely affected. Popularization and utilization of improved farm power and specialized implements are important components for boosting agriculture production.

Availability of Infrastructure

Under sub mission of Agriculture Mechanization, Ministry of Agriculture and Farmers Welfare Department of Agriculture, Cooperation & Farmers Welfare, Government of India provide subsidy, scheme for promotion of Agricultural Mechanization among Small Farmers envisages distribution of tractors and other farm equipment. Major objectives of the scheme are to increase the reach of farm mechanization to small and marginal farmers and to the regions where availability of farm power is low; promote 'Custom Hiring Centres' to offset the adverse economies of scale arising due to small landholding and high cost of individual ownership and to create hubs for hi-tech & high value farm equipment. The scheme envisages a maximum subsidy of 50% per tractor, agricultural equipment e.g. power tiller, tools per beneficiary.

Credit Potential assessed for 2024-25

The credit potential assessed for the year 2024-25 for farm mechanization in the State is ₹1465.17 lakh.

Issues and Suggested action points

- Group financing should be encouraged through JLG mode by bankers for mechanization of farming to take care of problems of small size and fragmentation of land holdings, etc.
- Modern mechanization method & improved machineries should be popularized by the department among the farmers.
- Agriculture Department, KVK, etc., may provide guidance/extension service with regard to selection of power tillers, operations and maintenance along with details of servicing/repair facility to the farmers.
- Popularization and utilization of improved farm machinery and specialized implements in the district by concerned department are important components for boosting agriculture production as is the use of power tillers and tractor in the district.
- Establishment of farm machinery sales outlets/customer hiring centres by farmers' societies.
- Practical demonstration on use of agricultural implements & farm machineries may be organized by the line departments in collaboration with banks for the farmers.
- Machinery & farm implements provided at subsidized rate from central schemes can be availed by SF/MF couple with bank credit.
- Facilities available under RIDF may be utilized to encourage custom hiring centre with community participation for better utilization.

(iv) Plantation & Horticulture

Introduction

The sector assumes prime importance in respect of Arunachal Pradesh, which is endowed with varied agro-climatic and physiographic regions, which support a wide range of tropical, sub-tropical and temperate fruits, vegetable, spices, medicinal and aromatic plants, flowers and mushroom. At present P&H activities are covered in 49,500 ha (2023) but the potential for P&H in the state is estimated much higher as indicated in Table 4.3.

Table 4.3: Agro-climatic zone wise potential of various horticultural crops

Sl. No.	Horticulture Zone	Suggested Crops for Cultivation	Potential (ha)
1	Foot Hills and Valleys (170 - 915 m)	Citrus, Guava, Banana, Mango. Litchi, Pine apple, Sapota, Jackfruit, Papaya, Plum, Pear, etc. seasonal vegetables	1,45,000
2	Mid Hills (915 - 1803 m)	Apples, Plum, Apricot, Pear, Almond, Low Chilling apple, Pomegranate, Olive, Grapes, etc. seasonal vegetables for seed, and truck gardening	1,40,000
3	High Hills (Above 1830 m)	Apples, Cherry, Walnut, Chestnut, Peanut, Pomegranate, etc. off season vegetables and production of temperate vegetable seeds.	1,15,000
4	Rain shadow area below 40" annual rainfall	Apple, Pear, Plum, Preach, Apricot, Almond, Walnut, Pomegranate, etc. off season vegetables.	31,300

Source: www.arunachalpradesh.nic.in/dhorti.htm

Potential for Development of various horticultural crops

Mandarin Orange: Among the fruits, Mandarin Orange is the oldest cultivated major fruit of the state which is now being exported although in an un-organized manner. Current area and production of orange is 15971.62 ha and 62633.43 MT. It occupies 46.46% of total area under fruit crops and contributes about 49.24% of total fruit production in the state. Area expansion in Mandarin Orange is being taken up in East, West and Upper Siang districts, Lohit, Lower Dibang Valley, a few parts of Upper Subansiri, Papum Pare and East Kameng districts.

Apple : Apple is the most important temperate fruit of the state covering about 3657.31 ha (10.63 % of area under fruits) with production of 11666 MT (5.38% of total fruit production). With the introduction of exotic varieties and dwarf rootstocks, the apple production has increased manifold resulting in marketable surplus. It is cultivated mainly in the temperate regions of West Kameng and Tawang districts and efforts are underway to expand apple cultivation in other potential areas like Mechuka of West Siang, Anini of Dibang Valley and Anjaw districts.

Pineapple: Pineapple occupies 5.85% of the area under fruits and contributes about 16.58% of total fruit production. Currently area and production under Pineapple is 3533.2 ha and 20459.52 MT respectively. As a result of area expansion programmes of the State Govt., pineapple is being cultivated in all Siang districts, Lohit, Lower Dibang Valley, some parts of Upper Subansiri, Papum Pare and East Kameng.

Kiwi: Arunachal Pradesh became the first state in the country to obtain an organic certification for its kiwis, a fruit that grew in the wilderness not long back in Ziro Valley. However, in the last decade, farmers have slowly recognized the commercial value of the fruit. Kiwi is a relatively new entrant in the horticulture milieu of the state, though the State is the highest producer of this fruit in the country. Current area under Kiwi is 3582.94 ha and production is 4492.9MT. Kiwi is grown in West Kameng, Tawang and Ziro area of Lower Subansiri District. Cultivation of Kiwi is being expanded to West Siang, Lower Dibang Valley and Anjaw districts. Being a high value crop, the response of the farmers in cultivation of the crop has been encouraging.

Spices: Total area under different types of spices is 12339.79 ha with production of 18755.8 MT. Ginger and large cardamom are the two prioritized crops. An area of 4235.27 ha was brought under cultivation of Ginger, which gave an output of 14971.07 MT during 2022-23, while large cardamom was grown in an area of 7575.61 ha with production of 1777.67 MT. Future expandable area under Large Cardamom lies in Siang belt, Lower Subansiri, Lohit, Anjaw, Changlang, Tirap, Upper Subansiri, Papumpare, Kurung Kumey, East Kameng etc. while ginger can be grown in large areas of Lower Dibang Valley, Lohit West, East and Upper Siang, Papum Pare etc.

Medicinal and Aromatic Plants: The state has high potential for cultivation of Medicinal and Aromatic Plants. Under National Mission on Medicinal Plants, low altitude plants like *Aqualaria agallocha*, *Embllica officinallis* etc. and high altitude plants such as *Picrorrhiza kurroa*, *Aconitum heterophyllum* etc. are being propagated. The state has high scope for promoting High Altitude Medicinal Plants having high demand in Chinese and Tibetan Medicines, which can be cultivated in Tawang, West Kameng, upper reaches of West Siang, Upper Subansiri, Anini, Kurung Kumey, Upper Subansiri and Anjaw districts.

Plantation Crops: Rubber and Tea are two important plantation crops of the state. The foothills of the state bordering Assam have good potential for rubber plantation as agro-climatic conditions of the region are suitable for the crop. Tea can also be grown in foothills as well as hillocks. Chief Minister's Mission Mode Project (MMP) for promotion of tea and rubber plantation in the State is being implemented in various parts of the State.

Atmanirbhar Bagwani Yojana- State Government has recently launched Atmanirbhar Bagwani Yojana for cultivation fruits like apple, kiwi, arecanut, walnut and persimmon by supporting farmers with subsidy @45% of the TFO. The Scheme envisages bank loan @45% and beneficiary contribution @10% of the project cost. The Govt. has made budgetary provision of ₹125.00 crore for the year 2023-24. The aim of the scheme is to facilitate self-employment and bring more area of cultivable land of the state in the use for agriculture.

Atmanirbhar Plantation Scheme – The State Government has recently launched Atmanirbhar Plantation Scheme with an allocated corpus of ₹75.00 crore in the State Budget 2023-24. The scheme aims to provide credit linked support to farmers for taking up horticultural activities with the objective of self-reliant production in the state.

Table 4.4: Present Status of Development in Horticulture/Plantation

Sl. No.	Crop Group	Area (ha)	Prod(MT)	Productivity (MT/ha)
1.	Fruits	34373.59	127176.56	3.69
2.	Vegetables	2605.81	7351.75	2.82
3.	Plantation Crops	2605.81	7354.75	2.82
4.	Spices	123389.79	18755.8	1.51
5.	Flowers	20	165	8.25
6.	Medicinal & Aromatic Crops	159.42	746.2	4.68
<i>Source: Directorate of Horticulture, GoAP - Itanagar</i>				

Major Constraints

Though the state has considerable potential for development of the sector, there are a number of challenges which need to be addressed to realize the same. One of the major problems is the inaccessibility and thin distribution of population which makes extension difficult - be it in adopting improved technology / agronomic practices or in adoption of crop diversification or varietal improvement. Major constraints hampering the sector are as follows:

- Availability of quality seeds and planting materials within the state and their cost.
- Low productivity, high input costs and high wage rates and shortage of labour.
- Scattered land holdings at difficult terrain which render aggregation of produce and market access difficult, thereby affecting price realization by the farmer.
- Non - availability of aggregation, storage and processing infrastructure to minimize post-harvest losses and distress sale.
- Lack of organized markets and high cost of marketing, especially on transportation.
- Lack of Commercialization and crop diversification.
- Inadequate irrigation facilities - drip irrigation / sprinkler irrigation.

Projections for 2024-25

Considering the potentials, infrastructure available and likely to be made available and based on discussions with the stake holders in promotion of the sector, the credit potential in the sector for the year 2024-25 has been estimated at ₹8144.23 lakh given in Annexure I.

Suggested Action Points

- Crop diversification, better agronomic practices, improved varieties of crops so that crop production and productivity improve.
- Establishment of nurseries for supply of quality planting material either in Government Sector or in PPP mode.
- Training to farmers in value addition at farmer level to ensure fair price.
- Promotion of producers' cooperatives/collectives for collective procurement of inputs, aggregation processing and marketing of products.
- Creation of storage godown and Cold chain facility by farmers' collectives like producers' organizations, individual entrepreneurs, corporate and Govt. owned agri/ horticulture marketing boards.
- Promotion of floriculture by using latest technologies like poly house farming and precision farming with assured market tie up.
- Government to provide incentives for setting up processing, packaging plants and subsidised transportation.
- Banks may extend credit support for viable processing units.
- Establishing Kiwi Research Centre with CHF, Pasighat
- Establishing sub-station of 'Central Potato Research Institute, Kufri, Shimla in Tawang district.

(v) Forestry and Wasteland Development

Status of the sector

Arunachal Pradesh has the largest area under forest cover, next to Madhya Pradesh among all states in the country. Its flora and faunal density makes it one of the top 25 "Bio-Diversity Hotspots" in the world. An area of 66,687 sq. km (as per India State Forest Report 2019) i.e. 79.63% of total geographical area of 83743 sq. km of the state is forests. The state has 500 species of medicinal plants, majority of which have very high commercial value. Cultivation of medicinal plants is an activity that could be taken up on commercial basis in many districts especially such as Tawang and East Kameng. About 80% of the plant families known in India are found in the State. The important forest types found in the state are Tropical evergreen, Semi evergreen, Deciduous, Pine, Temperate, Alpine and Grasslands etc.

The Forest resources provide the largest employment opportunity to the population of the State. However, restrictions are imposed on felling of trees and timber operations for ecological balance and environmental concerns. Further, on account of increase in human & livestock population, insufficient infrastructure and diversion of forest areas for development activities, the pressure on forest land is gradually increasing. The quantity and value of major forest products in the State during 2020-21 is given in Table 4.5.

Table 4.5: Quantity and value of major forest products in the State

Sl. No.	Major Forest Products	Units	Quantity
1	Timber	Cu.m	34587
2	Firewood	Cu.m	4068
3	Cane	kaps	46663
4	Bamboo	No.	60000
Source: <i>Statistical Abstract 2021, GoAP</i>			

Development of forests and forest based produce can play a vital role in the growth of the state. There is great scope for cultivation of Non-Timber Forest Produces (NTFP) like bamboo, cane, broom grass, orchids etc., for economic development of the rural people, given the ideal agro-climatic conditions and diverse altitudinal zones in the State. They can be grown as cash crop in various agro-forestry models such as the agri-silvicultural system, Agri-horti-silvicultural system and silvi-pastoral system in the state. The State has around 1404.13 sq km of fallow land, cultivable waste land and area not available for cultivation which could be utilized for regeneration of forests.

Oil Palm Mission - GoI has recently re-launched the Oil Palm Mission for NE region with an amount of ₹11040 crore for five years. The oil palm cultivation was being implemented few years back and 4000 ha of oil palm trees were cultivated. But there is an urgent need for establishment of processing factories in the region. GoAP has set a target for cultivation of 15000 ha area under oil palm during this year. The government has doubled the incentives to entrepreneurs for setting up processing units in the state. Accordingly, NABARD has assessed potential for institutional finance under the activities for the year 2024-25.

Projections for the FY 2024-25

Considering the potentials, infrastructure available, to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential has been assessed at ₹630.36 lakh for the year 2024-25 as given in Annexure I.

Suggested Action Points

- Participatory Forest Management through involvement of local communities such as Social Forestry programmes through distribution of seedlings and ensuring involvement of local people for forest conservation, protection and regeneration.
- Promotion of agro-forestry farming system with various crop combinations involving cereals, horticultural crops, forest trees and fodder trees. Such farming system will reduce dependence of people on *Jhum* cultivation for sustenance.
- Promotion of bamboo clusters through resource poor tribal community. It may also provide extension services like technical inputs and skill upgradation to the local populace to encourage them to set-up units of various bamboo products.

(vi) Animal Husbandry – Dairy, Poultry, Sheep, Goat & Piggery Development

Status of the sector

Changing food habits and more dependency on other states for animal based products, offer high opportunities to the allied sector in the state. Rearing of livestock helps in assuring income and nutritional security to the resource poor people. It is a very popular supplementary vocation in

homestead farms of the marginal and small farmers as about three fourth of the population own livestock for their livelihood. Poultry farming and Piggery are age old traditional activities adopted by the tribal farmers of the state to supplement their income and food. Most of the livestock in the state are of indigenous stock. The State has a Livestock Policy for improving the local germ plasm and enhance milk yield. The Poultry Breeding Policy of the State Govt. seeks to enhance egg production under backyard rearing system as well as large scale commercial egg production. The Breeding policy for Piggery provides for commercial farming of improved exotic purebred/crossbred pigs of proven potential.

Extension system

Compared to the number of cattle in the state, the infrastructure support is good (Table 4.6). However, on account of the larger geographical area and sparse population, access to the services are reportedly very poor. The Department of Animal Husbandry and Veterinary, Krishi Vigyan Kendras and Research Institutions of the State provide the extension support necessary for development of the Sector.

Recent Developments

The National Livestock Mission (NLM): NLM has commenced its operation from 2014-15. The Mission is designed to cover all the activities required to ensure quantitative and qualitative improvement in livestock production systems and capacity building of all stakeholders. The Mission will cover everything germane to improvement of livestock productivity and support projects and initiatives required for that purpose. NLM has following sub-missions:

Sub-Mission on Fodder and Feed Development: aims to address the problems of scarcity of animal feed resources in order to give a push to the livestock sector making it a competitive enterprise for India, and also to harness its export potential.

Table 4.6: Availability of Infrastructure for Animal Husbandry in the State

Sl. No	Infrastructure	Number
1	State Veterinary Hospital	1
2	District Veterinary Hospital	15
3	Veterinary Dispensaries	180
4	Veterinary Aid Centers	163
5	Cattle Upgrading Centers	124
6	Diagnostic Laboratory	11
7	Cattle Breeding Farm	10
8	Poultry Breeding Farm	14
9	Pig Breeding Farm	11
9	Sheep & Wool extension centre	7
<i>Source: Statistical Abstract 2021, GoAP and Dept. of Animal Husbandry, Veterinary & Dairy Development, GoAP</i>		

Sub-Mission on Livestock Development: The mission aims at productivity enhancement, entrepreneurship development and employment generation (bankable projects), strengthening of infrastructure of state farms with respect to modernization, automation and bio-security, conservation of threatened breeds, minor livestock development, rural slaughter houses, fallen animals and livestock insurance.

Pig Development Scheme: Under Arun Pig Development Scheme an amount of ₹7.5 crore has been made in the state budget. This would support the State Piggery Farms and the import of germ plasm.

Atmanirbhar Pashupalan Yojana - To provide credit linked support to farmers for taking up livestock management activities with the objective of self-reliant production in the state, the State Govt. has launched a flagship programme viz. Atmanirbhar Pashupalan Yojana with an initial corpus of ₹30.00 crore in the State Budget 2023-24.

Dairy Processing Infrastructure Development Fund (DIDF) - Considering the interests of both producers and consumers, Dairy Cooperatives are mostly contribute maximum share of sales realisation to milk producers and make available to the consumers at an affordable price. As a result, they are unable to invest in modernisation and/or expansion of dairy processing infrastructure since they have limited resources due to relatively low profit margins. To ensure that Dairy Cooperatives remain competitive for the sustained benefit of farmers, the Government of India had set up Dairy Processing and Infrastructure Development Fund under NABARD in 2017 with a total scheme outlay of ₹10,881 crore. The Scheme envisages providing loan assistance to State Dairy Federations, District Milk Unions, Milk Producers Companies, Multi State Cooperatives and NDDB subsidiaries across the country to eligible borrowers.

Projections for the year 2024-25

Considering the potentials, infrastructure available, likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential assessed at ₹5640.72 lakh for the year 2024-25 as given in Annexure I.

Issues

- Absence of milk processing and packaging unit.
- Availability of good quality milch animals.
- Adequate supply of DoC and providing suitable extension services for disease control.
- Availability of concentrate feed at affordable cost, insurance cover especially for smaller units.
- Adequate supply of suitable varieties of quality piglets to the potential pig farmers .
- Modern slaughterhouses and other infrastructure for value chain management .

Suggested Action Points:

- Promotion of Dairy Cooperative Societies (DCS) by organizing small dairy farmers.
- Supply of quality milch cattle and ensuring necessary extension services.
- Cattle-breeding farms and heifer farm may be established by incentivizing the entrepreneurs.
- Value addition through establishment of small/medium capacity chilling plants, collection centres, processing, grading and packaging centres etc.
- Financial assistance for infrastructure for transportation and marketing.
- Availability of disease free Day old Chicks (DoCs) at district / block levels at an affordable cost.
- Poultry hatcheries in the State preferably under Govt/Cooperative Sector.
- Formation of Producer's Organisation of poultry farmers needs to be facilitated to enable farmers to realize more value for their produce through collective marketing.
- Pig Breeding Centres may be set up at strategic locations to ensure availability of quality piglets to the farmers.

- The Government may contemplate training local educated youth to provide veterinary aid such as vaccination and AI services.
- Considering the potential available in the state, Banks need to scale up financing the sector.
- Banks may provide credit under GoI subsidy schemes for development of AH Sector.
- Adequate publicity to subsidy linked schemes of Govt. of India and Arunachal Pradesh.

(vii) Fisheries - Development

Status of the sector

Arunachal Pradesh is gifted with very good rainfall and vast inland water resources such rivers, streams, lakes, ponds and tanks, beels, marshy lands offer tremendous scope for fisheries. Apart from sustaining large number of commercially important fishes for food, it also supports wide varieties of ornamental and sport fishes. Land available in most part of the state is undulated and hilly terrain that makes it somewhat difficult to develop fisheries on commercial lines, except for foothills and valleys.

The state has 7000 ha and 2000 km of lentic and lotic water resources, respectively; of which, 30-40% is in the cold water zone of the state. The state has rich fish fauna with more than 150 fish species, with about 20% representing the cold water forms and the remaining 80% of warm water species. Aquaculture until recently was practiced in small perennial homestead ponds, mostly on traditional lines. On the other hand catching fish in common water-bodies, ponds and tanks has always formed the rural livelihood and means for food security. A majority of the resource remains unexplored or still in their pristine condition. Aquaculture/ Fishery development in the state started late, however community fishing has been prevalent since time immemorial.

Fishery is a profitable occupation in the State, promises higher income and employment while assuring protein rich food to the rural population. The fish production in the State was 4,920 tonnes in 2019-20. The total fish ponds/ farms in private sector cover about 10,650 ha. Paddy-cum-fish cultivation is a popular activity, which was initially practiced in Ziro area, Lower Subansiri district and has now been gradually been adopted in other parts of the State as a viable strategy for raising earnings from traditional agriculture. The total reported area under this activity is about 1825 ha. *(Source: Department of Fisheries, GoAP).*

The State Government promotes both warm and cold water fishery in the State through implementation of schemes for promotion of trout culture, integrated fish farming (paddy-cum-fish culture, pig-cum-fish culture and duck-cum-fish culture), construction of new and expansion / improvements of existing fish seed farms, cold water fishery development, training and capacity building, etc. The State Govt. also distributes fingerlings to the fish farmers. Subsidy for excavation of new ponds through people's participation and supply of inputs is available under Centrally Sponsored Scheme and the activity is carried out through support of FFDA.

There is good scope for cold water fishery that can be practiced in regions at higher elevation where temperature generally ranges from below freezing point to about 20 degree Celsius. There are two Trout Hatcheries one at Nuranang in Tawang and another at Shergaon in West Kameng District for culture of both Brown & Rainbow Trout.

Mukhya Mantri Neel Kranti Abhiyan scheme introduced with budgetary allocation of ₹10 crore to support farmers to increase the local fish production in the state. A Directory and database of indigenous fish species of the state is being prepared.

The State Govt. also provides training and capacity building support to the fishing community through assistance from Centrally Sponsored schemes such as Fishermen Welfare Scheme and Fishery Training and Extension Scheme.

Atmanirbhar Matsyapalan Yojana - With an aim to increase productivity of fisheries, the State Government has launched a flagship programme viz. Atmanirbhar Matsyapalan Yojana with an initial corpus of ₹20.00 crore in the State Budget 2023-24.

Issues

- Sparse distribution of resources over a vast and inaccessible area. The variable climate and altitude within the state necessitates introduction of agro-climatic zone specific models/culture practices/techniques for higher productivity and production for different areas. Underutilization of aquatic resources and low lying areas in foot hills.
- Non-availability of standard quality seeds in right time and season. (Deficit in seed production) leading to high dependence on neighboring states.
- Insufficient rearing tank area in seed production farms for raising fingerlings has accentuated the problem of low productivity.
- Lack of support in terms of farm side research and development (FSR) to disseminate the technology packages effectively.
- Despite high potential in cold water and ornamental fisheries the same could not be harnessed due to constraints in resource / technology.
- Non-existence of leasing policy, exclusive fishing and management right of riverine resources with the department. There is a necessity for a comprehensive programme for utilization of the large water bodies for development of fish farming.
- Weak/non-functional co-operative institutions and cohesive grouping.
- Thrust is required on table fish and fish seed production by creating new water bodies, rejuvenating the existing ponds, creating a new support base for seed production along with strengthening of existing ones.
- Introducing agro-climatic, zone specific development model, introduction of zone specific culture practices/techniques and introduction of innovative schemes leading to diversification.
- Formation of new and strengthening of existing fish farmer groups by providing monetary, technical and consultancy support.

Projections for the year 2024-25

Considering the potentials, infrastructure available and likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential for the year 2024-25 is assessed at ₹2930.20 lakh as given in Annexure I.

Suggested Action Points

- Strengthening extension machinery for effective transfer of technology by roping in KVKs.
- Setting up of fish seed hatcheries and renovation of the existing Government Seed Farms are necessary to meet quality seed requirement of farmers.
- The State Govt. may consider introducing an interest subvention scheme for those existing fish farmers who avail short term loan for undertaking scientific fish farming, in line with modified KCC norms.
- The State Govt. may lay special emphasis on replication of integrated fish farming system.

- Modern scientific storage facilities may be put in place for storage and marketing of fish.
- Extension of credit support to farmers for commercial fish farming.
- KCC- Fisheries to be given.

4.1.2 Agriculture Infrastructure

(i) Construction of Storage Facilities – Warehouses, market yards including cold storage units/cold storage Chains

Status of the sector

One of the biggest impediment for lack of commercialization of agriculture in Arunachal Pradesh is the non-availability of scientific storage facility in rural areas for storing farm produce, processed farm produce and agricultural inputs. Such facilities are critical factors for minimizing post-harvest losses and ensuring fair and remunerative prices to the farmers/ primary producers. Similarly, promotion of grading, standardization, quality control and packaging of agricultural produce is essential for improving marketability, prevention of distress sale and value addition. Further, pledge loan facility is available to the farmers who store their produce in such godowns and require credit for carrying on the farming activity. Therefore, it is essential to develop the right type of product-specific marketing and storage facilities at strategic locations, which are accessible to farmers.

Infrastructure available

There are only 14 rural godowns with combined capacity of 4,000 MT. In both these areas, public and private investment in the state is not very encouraging, on account of non-availability/poor quality of related infrastructure such as electricity, connectivity, etc. However, there are several promotional programmes / schemes in this regard, which can be tapped for creation of godowns, ware houses, cold storages, value chain in agriculture, etc. A few of the schemes are listed below:

- Govt. of India has launched the negotiable warehouse receipts system, which would help farmers to gain access to loans from banks against warehouse receipts and avoid distress sale of agricultural commodities. Negotiable warehouse receipts allow transfer of ownership of the commodity stored in a registered warehouse without having to deliver the physical commodity. Warehouse receipts have been made negotiable under the Warehouse (Development and Regulation) Act, 2007 and are regulated by the Warehousing Development and Regulatory Authority (WDRA) making them eligible as collateral for loans. Small & Marginal Farmers holding KCC would get loan against negotiable warehouse receipts @7% p.a for loans upto ₹3 lakh. Especially in border areas, creation of adequate storage space has been listed as a priority by GoAP.
- With the objective of providing farmers' access to competitive markets with adequate infrastructure including cold chain logistics and to enable them to realise better prices, GOI announced ₹1.00 lakh crore fund to finance agriculture infrastructure projects at the farm gate and produce aggregation. The decision to channel the funds to agricultural cooperatives, farmer producer organisations, rural entrepreneurs and start-ups is encouraging. It emphasizes creating the appropriate infrastructure or logistics solution largely for the farmers. The move to address the needs of fish workers, livestock farmers, vegetable growers, beekeepers and related activities.
- Further, GOI has set up an Agri-Market Infrastructure Fund (AMIF) with a corpus of ₹2000 crore with NABARD for developing and upgrading agricultural marketing infrastructure in the

GrAMs and Agriculture Produce Market Committee (APMC) Markets and circulated the Scheme Guidelines to the States/Union Territories (UTs).

- GOI has decided to facilitate app to enable the farmers tracking the nearest warehouse/cold storage facility to store both their perishable and non-perishable agricultural produce. It is estimated, there are 162 million MT capacity of agro-warehousing, cold storage, facilities in the country.
- In pursuance of Union Budget 2020-21 announcement, geo-tagging of the around 1.01 lakh Agri storage structures across country were done by NABARD. The endeavor is likely to help the farmers in storing their produce and get credit against warehouse receipts. This will help in stopping distress sale by farmers and help them get the right price for their produce.
- The Government of India has approved the "World's Largest Grain Storage Plan in Cooperative Sector", which is being rolled out as a Pilot Project in different states/UTs of the country. The Pilot project is being implemented by National Cooperative Development Corporation (NCDC) with the support of NABARD, Food Corporation of India (FCI), Central Warehousing Corporation (CWC), NABARD Consultancy Services (NABCONS), National Buildings Construction Corporation (NBCC), etc. in different States/ UTs. Consultancy support is also being extended to PACS through these agencies under the project.

Issues

- The storage infrastructure including cold storage constructed in the State are reportedly defunct due to several reasons.
- The subsidy schemes available for creation of storage facilities need to be popularised by Agriculture and Horticulture departments.
- As the capital cost for construction is high, godowns for storage of food grains may be constructed by farmer's collectives/co-operatives.
- Despite the erratic power supply in many places, construction of mini cold storages at strategic location is the prime requirement of the State as potential in horticulture sector is very good.
- As the construction can be done only on own land to derive the benefit of bank loan and subsidy, the Government needs to ensure smooth issuance of LPC/initiate reforms in land tenancy laws.

Projections for the year 2024-25

Considering the potentials, infrastructure available and likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential has been assessed at ₹1566.34 lakh for the year 2024-25 as given in Annexure I.

Suggested Action Points

- Adequate awareness is to be created among the farmers about the importance of scientific storage of their produce for better realization.
- Setting up Cold storage and other storage facilities at district/block headquarters by State govt. owned corporation or LAMPS.
- Both Agriculture and Horticulture departments may identify prospective entrepreneurs having the financial strength and resources to start construction of rural godowns/cold storage in the State through bank finance.
- Govt. may consider setting up of Farmers' Markets, which facilitates direct interface of farmers

with the consumers avoiding middlemen.

- Pro-active role of banks/branches in creating awareness about various subsidy schemes for godowns/cold storages and mobilising farmers/entrepreneurs.
- Credit support from banks for setting up godowns/cold storages under subsidy schemes.
- State Govt. may utilize the assistance under Warehouse Infrastructure Fund (WIF) managed by NABARD for construction of warehouses in the State.

(ii) Land development, soil conservation, watershed development

Status of the sector

The land mass of the State is comprised of plains and small and high hills/mountains. It receives high rainfall for almost 6-7 months and the huge volume of run-off water causes soil erosion and loss of the fertile top soil. It also causes flood havoc in the plain areas of the State. Thus, it calls for appropriate treatment in the upper catchment areas that may restrict the silt carry and its adverse consequences. There is scope for land development activity on the terrace lands (other than high mountain area) having 5 to 10 per cent slopes. Main activities suitable for these landscapes are construction of terraces, protection of agricultural land, treatment of agricultural land, afforestation etc.

Scope for Development

The soil & moisture conservation measures that may help improve land fertility and have scope for credit absorption are given in Table 4.7.

Table 4.7: Suggested soil & moisture conservation measures

Sl. No.	Purpose	Activities
1	Soil and Water Conservation	Contour bund, contour trenches, retaining wall, check dam etc.
2	On Farm Development	Land leveling, bunding, construction of irrigation/drainage channels
3	Farm Fencing	Fencing with barbed wire, stone fencing or live fencing
4	Composite Farm Development	Land leveling, bunding, compost making, improved farm implement, fencing, water harvesting structure along with distribution system
5	Innovative/ Capital intensive activities	Green house farming, biotechnology, hydroponics, bio-fertilizer, bio-pesticides, mixed farming, etc.
6	Organic Farming	Bio-fertilizer, bio-pesticides, market oriented cultivation of organic produce

Initiatives by the State

The Rural Works Department, the nodal agency for soil and water conservation activities in the state, has taken up a number of measures under this sector. Some of these works are land development by terracing at hill slopes, bunding on lands with moderate slope, land protection with engineering structures such as wire crated boulder spurs, guide walls, etc., as well as vegetative measures of conservation. These measures will help bring more land under agriculture and offer protection from erosion. Suitable flat land in hilly areas and valleys are developed for permanent cultivation by land leveling and bunding. Similarly, terraces and graded bunds are made on gentle hill slopes so as to provide permanent cultivable lands and to wean people away from the practice of *jhum* cultivation.

Projections for the year 2024-25

Considering the potentials, infrastructure available and likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential has been assessed at ₹320.80 lakh for the year 2024-25 as given in Annexure I.

Suggested Action Points

- Reclamation of problem soils by motivating farmers. Use of traditional knowledge in soil and water conservation.
- Formulation of credit linked area specific schemes in the watershed areas.
- Adoption of participatory approach for watershed development.
- Establishment of Infrastructure facilities such as lab for quality control/certification and marketing of organic produce may be set up to encourage organic farming.
- Popularizing use of quality organic inputs.
- Involvement of PRIs and NGOs to create awareness among the farmers and popularize land development and soil conservation activities.
- Credit Support from banks for setting up organic farms and production of vermi-compost/bio fertilizers and bio pesticides, export organic fruits and vegetables.

(iii) Others - e-NAM, Tissue Culture, Agri-Biotech, Seed Production, Bio-Pesticides/

Bio-Fertilizers, Vermi Composting, etc.

Status of the sector

The sector covers activities like tissue culture, agri-biotechnology, seed production, bio pesticides, bio fertilizers and vermi composting. With the requirement of increasing production and productivity of agriculture and horticulture crops in the district, there is ample scope for construction of vermi composting units.

Organic farming techniques like usage of bio-fertilizer, bio-pesticide, vermicompost, organic manure/compost from bio conversion from municipal garbage etc. facilitate in overcoming the deleterious effects of chemical farming the same should have been popularized among the farmers.

Further, as the practice of vermicomposting is eco-friendly and helps in disposal of organic waste, converting it to useful bio fertilizer, it can be used partially as a substitute to chemical fertilizer. Organic farming thus could be practiced for improvement of health of soil, crop and animals which in turn will restore ecological balance.

For better price discovery and to help the farmers in marketing their produce at a fair price, National Agriculture Market (e-NAM) was launched as a pan-India electronic trading portal. The objective is to create a unified national market for agricultural commodities by networking the existing Agricultural Produce Market Committee (APMC) mandis through online competitive and transparent price discovery system and payment facility.

Projections for the year 2024-25

Considering the potentials, infrastructure available and likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential is assessed at ₹138.99 lakh for the year 2024-25 as given in Annexure I.

Suggested Action points

- NGOs can explore formation of Farmers' Interest Groups and FPOs.
- Awareness programmes on importance of using organic manures, bio Pesticides/ fertilizers etc. should be taken up by the Agriculture Department.

4.1.3 Ancillary Activities

(i) Food & Agro Processing

In view of the predominance of agriculture in the economy of the State, the scope for agro and food processing as a prospective modern manufacturing activity assumes much importance, for enhancing farmers' income. The sector has strong backward linkage with agriculture sector and has the potential to contribute to the growth of rural income and employment. Some of the specific agro-based industrial activities are ginger processing / dehydration, apple processing, processing of citrus fruits, multipurpose fruits and vegetable processing, rice mill, bakery, tapioca processing for production of sago and starch, etc.

Government of India (GoI) has accorded top priority for the development of the food processing industry in the country. GoI, in 2014-15, announced setting up a Special Fund of ₹2000 crore in NABARD to make available affordable credit to agro-processing units being designated as Food Parks. This Fund, designated as Food Processing Fund, established in NABARD by RBI, provides financial assistance either directly or through consortium arrangements with other financing agencies. State Governments, entities promoted by State/ Central Governments, Joint ventures, Cooperatives, Federation of Cooperatives, SPVs, Farmers' Producers Organizations, Corporates, Companies, Entrepreneurs, etc., may avail loans from this Fund for establishing the designated Food Parks and also for setting up of individual food/ agro processing units in the designated Food Parks.

NABARD will provide term loans out of the Fund for development/ establishment of all infrastructure required in the designated Food Parks, augmentation/ modernization/ creation of additional infrastructure in the designated Food Parks.

Under Aatmanirbhar Bharat Abhiyan, Government of India (GoI) has launched a new Centrally Sponsored Scheme (CSS), 'Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME)'. The aim of the scheme is to enhance the competitiveness of existing individual micro-enterprises in the unorganized segment of the food processing industry and promote self-employment. The Government is to provide ₹10,000 crore to support micro food processing units. Under the scheme, there is a provision for SHGs to get a support of ₹4 lakh per SHG as seed capital.

Constraints

A few of the major factors hampering the industrialization process of the State are as under:

- Constraints of connectivity and poor transportation add to the cost/price of raw materials for industrial use as well as finished and semi-finished goods.
- Non-availability of skilled workforce may also be another disincentive faced by the industries in the state. The extension efforts necessary for skill enhancement/ acquisition of the local workers/labourers needs to be intensified to reduce dependence on costly immigrant labour.
- Development of industries requires energy. Inadequate availability of power and its poor

quality to meet industrial requirement is a major concern.

- The Micro and Small industries which provide supplementary livelihood options to the tribals, have tremendous growth potential. However, the demand for these products is very low and not enough for promoting mass production.
- The existing marketing network does not ensure remunerative returns to the producers, which affects the viability of value addition driven by market tastes and preferences.

Projections for the year 2024-25

Considering the potentials, infrastructure available and likely to be made available and based on discussions with the stake holders in promotion of the sector, the credit potential is assessed at ₹1587.00 lakh for the year 2024-25 as given in Annexure I.

Suggested Action points

- Development of basic infrastructure like Road, electricity, soft connectivity etc.
- Setting up a user friendly single window system by State Govt. for facilitating prospective entrepreneurs in getting required permission/licence and the basic infrastructure like water, electricity, connectivity etc.
- Department of Industries may play a vital role in providing incentives to prospective entrepreneurs, identification of location specific ventures and in preparation of project profiles for all feasible activities under the sector.
- State Government may arrange to organize more number of industrial fair/handicrafts melas/artisan melas, buyer seller meets etc. to provide more avenues for marketing of MSME products.
- All banks in the state may accord special attention to development of this sector and enhance financing to the new and existing units.
- Loan facility under Food processing Fund of NABARD can be availed by the State Govt. and the prospective entrepreneurs.

(ii) Agri ancilliary activities- Others

a. Loans to Cooperative Societies of farmers for aggregation/ marketing

Status

Due to the non-availability of storage facility, nearby regulated market, proper connectivity, the farmers are compelled to sell off their produce as soon as they harvest with minimal profit. If these farmers are collectively brought under Cooperative Society, then they will have better bargaining opportunity.

The Cooperative Societies of farmers may be provided short term loans for disposing off their produce so that necessary arrangements could be made to transport it to the markets in the neighboring places where it could fetch better price. The loan could be provided for a short period, say 60 to 90 days, repayable in two installments of principal and interest. This would benefit both the farmers and the Banks.

Projections for the year 2024-25

Considering the potentials, infrastructure available and likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential is assessed at ₹120.05 lakh for the year 2024-25 as given in Annexure I.

b. Agri-Clinic/ Agri-Business Centres (ACABC)

Status

The Agri-Clinic/Agri-Business Centres (ACABC) was launched in 2010 by Department of Agriculture and Cooperation, Ministry of Agriculture, Govt. of India to support agricultural development and create gainful self-employment opportunities to unemployed agricultural graduates, agricultural diploma holders, intermediate in agriculture and biological science graduates with PG in agri-related courses.

These establishments are required to supplement efforts of public extension by necessarily providing extension and other services to the farmers on payment basis or free of cost as per business model of agri-preneur, local needs and affordability of target group of farmers. The rise in demand in the dairy, poultry and piggery sectors in the recent times has increased the scope for such ventures. Training is provided by MANAGE. The trainee then can establish Agri-Clinic or Agri-Business Centre with bank loan. Subsidy is available under the Scheme.

Projections for the year 2024-25

Considering the potentials, infrastructure available and likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential is assessed at ₹194.48 lakh for the year 2024-25 as given in Annexure I.

4.2 Micro Small and Medium Enterprises

Status of the sector

The definition of MSMEs has been revised with effect from 01.07.2020 by Government of India as follows:

- Micro Enterprise - where the investment in Plant and Machinery or Equipment does not exceed ₹1.0 crore and turnover does not exceed ₹5.0 crore ;
- Small Enterprise - where the investment in Plant and Machinery or Equipment does not exceed ₹10 crore and turnover does not exceed ₹50 crore ;
- Medium Enterprise - where the investment in Plant and Machinery or Equipment does not exceed ₹50 crore and turnover does not exceed ₹250 crore.

Earlier, the MSMEs were defined on the basis of investments put in, now the revised definitions will also include turnover of the company. Also, the criteria for manufacturing units and service units were different. Now those distinctions between Manufacturing and Service MSMEs have been removed. They will all be defined uniformly.

The State has a strong base for development of indigenous industries, which are associated with the indigenous skills and knowledge system of the tribal community and play a major role in employment

and income generation. The crafts such as weaving, painting, pottery, basket making and woodcarving are found to be practiced by the people.

Being an agrarian state, the state has weak secondary sector. Manufacturing activities in the State are essentially based on the forest and mineral resources of the State. In the present structural composition of the economy, Secondary sector contributes only 33.24% to the GSDP of the State (2022-23). Pace of industrialization is very slow due to poor connectivity, infrastructure bottlenecks coupled with limited market. Moreover, the closure of timber based industrial units following restrictions on timber operations, has left the State with hardly any medium and large scale industrial unit. Virtually all the industrial activity in the State is now confined to small scale sector.

Institutional credit to MSME Sector

The Institutional credit to MSME Sector in the state is given in Table 4.8.

Table 4.8: Institutional Credit to MSME Sector (₹lakh)

Agency	Sub sector	2019-20		2020-21		2021-22		2022-23		Outstanding (as on 31.03.2023)	
		No. of A/C	Amount	No. of A/C	Amount	No. of A/C	Amount	No. of A/C	Amount	No. of a/c	Amount
Com. Banks	Micro	4315	8440.05	6263	13010.30	5434	14665	5716	29765	18092	98480
	Small	173	4121.56	751	12939.46	376	10017	245	20049	1976	43886
	Medium	11	394.66	53	5291.11	16	2617	28	3702	60	9298
	Total	966	10844.74	7067	31240.87	7203	38739	5989	53516	20128	151664
APRB	Micro	19	172.54	505	5136.16	474	7152	458	8040	1126	10481
	Small	0	0.00	0	0.00	0.00	0.00	0	0.00	0	0.00
	Medium	0	0.00	0	0.00	0.00	0.00	0	0.00	0	0.00
	Total	19	172.54	505	5136.16	474	7152	458	8040	1126	10481
Total GLC	Micro	4334	8612.59	6768	18146.46	5434	4666	6174	37805	20028	108961
	Small	173	4121.56	751	12939.46	376	10017	245	20049	1976	43886
	Medium	11	394.66	53	5291.11	16	2617	28	3702	60	9298
	Total	4518	13128.81	7572	36377.03	7692	46010	6447	51656	20128	151664

Source : Agenda cum Background notes, SLBC, Arunachal Pradesh, Itanagar, Various Issues

State Govt. Initiatives

Two flagship programmes are being implemented by GoAP viz. (i) Deen Dayal Upadhyaya Swavalamban Yojana to encourage the unemployed youth to gain access to low cost capital for entrepreneurship, GoAP would provide 40% back ended capital investment subsidy for loan from ₹10.00 lakh to ₹50.00 lakh. Under the scheme women entrepreneurs would get additional benefit of 5% interest subvention on loan amount. The budget allocation for the FY 2022-23 is pegged at ₹150.00 crore under the programme. Activities covered *interalia* include value addition in agri & allied sector, tourism development, traditional textile weaving & manufacturing and (ii) Deen Dayal Upadhyaya Bunkar Yojana to encourage the women weavers to access affordable credit from banks for their working capital requirements for loans upto ₹2.00 lakh. GoAP would provide interest subvention of 7% on the loan amount. These two schemes may encourage entrepreneurs to avail fresh loans for the selected activities which will certainly push upward the credit off take under MSME sector.

Infrastructure available and planned

- Government of India has launched an ambitious scheme Pradhan Mantri Kaushal Vikas Yojana to provide skill development and assured placement to the unemployed youths. The state government aims to train approximately 11,000 youths under the scheme this year.
- Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU GKY) programme is a sub component of Deen Dayal Antyodaya Yojana National Rural Livelihoods Mission (DAY NRLM) which focuses on giving skill development training to rural youths (placement linked skill development).
- In 2018-19, a Memorandum of Understanding was entered into with State Bank of India; whereby, the Bank agreed to sanction the loans under Deen Dayal Upadhyaya Swavalamban Yojana to entrepreneurs of Arunachal Pradesh who wish to set up small and medium enterprises with a project cost of ₹10.00 lakh to ₹50.00 lakh in key sectors. A budgetary allocation of ₹150.00 crore has been made for 2023-24.
- CM's *Hastshilp Yojana* to promote premium and niche handicrafts production of exportable items of modern concept of design with introduction of modern technology by providing training to unemployed youths under handloom, handicrafts and weaving sector will be continued.
- Under the Mission for Integrated Development of Horticulture (MIDH), Government of India provides assistance for setting up primary processing units up to ₹50 lakh. The state Govt. gives a top up of the same with additional 25% subsidy up to a maximum of ₹25 lakh per primary processing unit.

Projections for the year 2024-25

Considering the potentials, infrastructure available and likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential is assessed at MSME – Investment ₹53435.20 lakh and MSME Working Capital ₹18045.52 lakh for the year 2024-25 as given in Annexure I.

Suggested Action Points

- Improvement in backward and forward linkages for rural artisans, cottage & village industries, SSI
- Provision of adequate working capital to the SSI units to make such units viable
- Vocational/skill up gradation programme with the help of master craftsmen can be arranged in collaboration with the banks and government agencies.
- Organizing exhibitions cum sales outlets at periodical intervals at important places
- Close coordination among agencies involved in promotion of activities under Off-farm to be ensured particularly among DIC, KVIC, DRDA
- Cluster development concept to be popularized.

4.3 Others - Loans to PMJDY accounts

Status of the sector

Activities under Others Miscellaneous comprise loans to SHGs, JLGs and overdraft under PMJDY. Lending to the tertiary sector also assume significance from the point of view of linkage support provided by it to Agriculture (Primary Sector) and Rural Non-Farm Sectors (Secondary Sector) and for

the overall development of the district economy. It is considered vital for sustaining the developmental activity in the primary and secondary sector. In terms of revised RBI guidelines on PSL, the following activities are covered under the sector 'Others'

- Loans not exceeding ₹50,000 per borrower provided directly by banks to individuals and their SHG/JLG, provided the individual borrower's household annual income does not exceed ₹1,00,000 in rural areas and ₹1,60,000 in non-rural areas.
- Loans to distressed persons to prepay their debt to non-institutional lenders
- Overdrafts extended by banks up to ₹10,000 under PMJDY
- Loans sanctioned to State Sponsored Organizations for SC/ST for the specific purpose of purchase and supply of inputs and/or the marketing of the outputs of the beneficiaries of these organizations.

Projections for the year 2024-25

Considering the potentials, infrastructure available, likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential is assessed at ₹54.20 lakh for PMJDY for the year 2024-25 as given in Annexure I.

4.4 Export Credit

Status of the sector

The Foreign Trade Policy of India envisages a stable and sustainable policy environment and link with other initiatives such as 'Make in India', 'Digital India' and 'Skills India'. While the basic infrastructure associated with export is to be taken care of by the Government, banks have a major role to in providing the much needed credit for financing export. Financing for export purposes is treated as Priority Sector Lending by RBI. Export credit is broadly classified into Pre-shipment and Post shipment credit facilities. These are in turn financed either through Indian Rupee or through foreign currency. The items financed for export varies from a host of manufactured items through the micro, small, medium and large enterprises, a variety of agro processed products, as well as services rendered through IT industries.

The state possesses enormous potential for exporting Agriculture/ Horticulture crops like Oranges, Kiwi, Ginger, Turmeric, Pineapple, etc. However, steps are yet to be initiated at district as well as state level to make the products export worthy. Infrastructure creation focusing on value addition, branding, certification, etc. are to be provided for the flourishing of export-oriented units in the state. As such no projection has been made for export credit potential for 2024-25.

Suggested Action Points

- Sensitization and capacity building of stakeholders on quality control and registration procedures required in foreign countries.
- Most of the horticultural produce in the State are free from chemicals as the farmers depend on the natural soil nutrition. However, there is lack of proper organic certification depriving the farmers of the benefit of the premium available for such organic products. The Agriculture/ Horticulture Departments should facilitate organic certification within the state.
- State of the Art infrastructure for processing and packaging, to cater to the demand of the exporters, are lacking in the State.

- Wherever feasible, post-harvest infrastructure may be established by the Government, either directly or through the Farmer Producer Organisations (FPOs).
- Basic infrastructure viz. access to airport/ railways from the major production centres need to be improved to reduce perishability and provide cost effective transportation.

4.5 Education Loan

Status of the sector

There are many technical institutes promoting vocational education as well as some management education in the state. Further, many students from the state also access higher education from outside the state. As professional/ technical education in private institutions as well as higher studies are costly, the demand for education loan is gradually increasing. Loans to individuals for educational purposes including vocational courses upto ₹10 lakh for studies in India and ₹20 lakh for studies abroad also qualifies for being reckoned as a priority sector activity. Details of loans sanctioned, released and loan outstanding during last 3 years are presented in Table 4.9.

Table 4.9 : Ground level Credit flow to Education in Arunachal Pradesh (₹lakh)

Agency	Loan	2019-20		2020-21		2021-22		2022-23	
		No. of A/C	Amount	No. of A/C	Amount	No. of A/C	Amount	No. of A/C	Amount
Commercial Banks	Sanctioned	49	1365.98	24	27.66	43	125	70	400.00
	Released	49	219.96	100	315.94	115	394	115	230.00
	Outstanding	463	1556.12	335	1080.22	333	1089	333	1020.00
APRB	Sanctioned	0	0.00	0	0.00	0.00	0.00	0	0.00
	Released	0	0.00	0	0.00	0.00	0.00	0	0.00
	Outstanding	7	22.54	7	24.20	6	14.26	0	0.00
APSCAB	Sanctioned	0	0.00	12	61.21	0.00	0.00	0	0.00
	Released	0	0.00	0	0.00	0.00	0.00	0	0.00
	Outstanding	12	57.77	0	0	12	64	7	44
Total GLC	Sanctioned	49	1365.98	36	88.87	43	125	70	400
	Released	49	219.96	100	315.94	115	394	115	230
	Outstanding	482	1636.43	342	1104.42	351	1177	340	1064

Source : Agenda cum Background notes, SLBC, Arunachal Pradesh, Itanagar

Note : Loan sanctioned and disbursed during the year and outstanding as at the end of March 2023

Projections for the year 2024-25

Considering the potentials, infrastructure available, likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential is assessed at ₹1046.25 lakh for the year 2024-25 as given in Annexure I.

Policy Initiatives by State Government in Education

In the Budget 2023-24, the focus of the State Government to provide equitable and quality education was declared and the following schemes and budgetary allocations were made.

Chief Minister's *Samast Shiksha Yojana*, launched to focus on decentralized planning, will be continuing in 2023-24 also with an outlay of ₹40 crores. Some of the schemes are as under:

- A budgetary allocation (2023-24) of ₹10 crores has been made to convert one classroom in every secondary school as a virtual classroom in the state.
- An amount of ₹30 crore has been allocated for the development of infrastructure of Government Higher Secondary schools in each district, during this financial year. Also earmarked ₹20 crore for upgradation of infrastructure of existing identified schools into inter-village schools in the first phase.
- The scheme of providing scholarship for meritorious APST students, who seek coaching for civil service exams from the state will continue in 2020-21 (₹1 crore).
- In order to strengthen 100 libraries in existing senior secondary school buildings, ₹10 crores were allocated. Another allocation of ₹3.50 crore was made for promotion of tribal languages and scripts in schools.
- Allocated ₹10 crore for Sainik School in Pasighat and ₹5 crores for infrastructure development of Arunachal University at Pasighat. A provision for ₹5 crores for infrastructure development of the Law College was also made.
- For empowering women via the tool of education, Vidya Scheme was launched; where, ₹10,000 will be given to a girl child entering Class VI (₹8 crore). For providing financial incentives to the girl students under Health and Hygiene scheme, ₹3.5 crore has been made available.

4 . 6 Housing Loan

Status of the sector

Housing is one of the basic human needs for leading a healthy life. It serves as an engine of growth for an economy, since it has a direct impact on quality living. It has various backward and forward linkages and is linked to a host of ancillary industries such as cement, steel, brick, timber and other building material. The market for housing finance witnessed significant expansion in late 1990s and early 2000s, with the entry of banks in a big manner. However, the share of housing loan as a percentage of GDP in our country has remained quite low at around 12% in 2022-23. At the national level, the shortage for housing in rural areas is estimated to be more than 40 million units. Around 95 per cent of the shortage pertains to the EWS and LIG category.

With a view to bringing convergence of the Priority Sector Lending guidelines for housing loans with the Affordable Housing Scheme, and to give a fillip to low-cost housing for the Economically Weaker Sections and Low Income Groups, the housing loan limits for eligibility under priority sector lending were revised. It was increased to ₹35 lakh in metropolitan centres (with population of ten lakh and above), and ₹25 lakh in other centres, provided the overall cost of the dwelling unit in the metropolitan centre and at other centres does not exceed ₹45 lakh and ₹30 lakh, respectively.

Initiatives by State Government in Housing

Arunachal Pradesh is dominated by rural area with close to 75 per cent of its population residing in rural areas. State Government has accorded priority to provide basic facilities to the rural population. Therefore, rural housing is high on the agenda of the Government. State Government is implementing a scheme namely Chief Minister Rural Housing Scheme through which a top up of ₹50,000 to each eligible beneficiary will be provided.

Table 4.10: Housing Loan in Arunachal Pradesh (₹ lakh)

Agency	Categories	Loan Outstanding (as on 31.03.2023)	
		No. of a/c	Amount
Commercial Banks	Priority Sector	1028	13088
	Rural	720	12303
	PMAY	69	657
	Total	1817	26048
APRB	Priority Sector	107	3840
	Rural	39	1113
	PMAY	0	0
	Total	146	4953
APSCAB	Priority Sector	289	2409
	Rural	0	0
	PMAY	0	0
	Total	289	2409
Total GLC	Priority Sector	1424	19418
	Rural	759	13415
	PMAY	69	657
	Total	2252	33490
Source : Agenda cum Background notes, SLBC, Arunachal Pradesh, Itanagar			

Projections for the year 2024-25

Considering the potentials, infrastructure available, likely to be made available and based on discussions with the stakeholders in promotion of the sector, the credit potential is assessed at ₹1960.28 lakh for the year 2024-25 as given in Annexure I.

4.7 Social Infrastructure Involving Bank Credit**Status of the sector**

The provision of drinking water, sanitation, education, and health defines the quality of life of an individual. These services affect day-to-day life of people and have long-term impact in terms of longevity and earning capacity. Piped drinking water, which is treated and transported to households is an expensive commodity and more so, in a sparsely populated village. However, villagers need good quality potable water as much as anyone else in the country. *Swaachh Bharat* campaign has re-emphasized the need of basic amenities for hygiene and dignity of an individual. Education of the young takes centre stage for future growth. Government of India through various programmes has strived to achieve 'Education for All'. To keep the work force active and contributing to the GDP, delivery of health care especially in the rural areas has taken priority.

Given the importance of social infrastructure for development and its impact on ultimate credit absorption in rural and urban areas, RBI, in its Priority Sector Lending Master Direction issued on 04 September 2020, has stipulated that Bank loans up to a limit of ₹5 crore per borrower for setting up schools, drinking water facilities and sanitation facilities including construction/ refurbishment of household toilets and water improvements at household level, etc. and loans up to a limit of ₹10 crore per borrower for building health care facilities including under 'Ayushman Bharat' in Tier II to Tier VI centres have been brought under the ambit of PSL norms.

Projections for the year 2024-25

Considering the potentials, infrastructure available, likely to be made available and based on discussions with the stake holders in establishment of public toilets, the credit potential is assessed at ₹1335.00 lakh for 2024-25 as given in Annexure I.

4 . 8 Renewable Energy

Status of the sector

In the wake of fast depletion of fossil fuels and the ever increasing demand for energy there is an urgent need to tap renewable sources of energy. There are a number of non-conventional sources of energy such as solar energy, water energy, wind energy, bio mass energy, energy from Oceans and tides, bio fuels etc. Realizing the importance, Government of India has established a separate Ministry of New and Renewable Energy (MNRE).

The State does not have a grid of its own nor does it have high voltage transmission lines. Moreover, the task of electrification is very difficult given the topography with low density of population and scattered pattern of habitation. Most of the villages are situated in the remote and inaccessible areas where laying of transmission and distribution lines is very expensive. Unavailability of adequate energy is a major factor for slow pace of industrialization in the State. In this scenario, energy demand of the State can be met partially by exploitation of renewable sources of energy such as biomass power generation, solar and wind power generation, small hydro power projects, etc.

Infrastructure available and planned

Arunachal Pradesh Energy Development Agency (APEDA) is the nodal agency for implementation of all the programmes connected with generation of power by use of non-conventional sources. Electrification of remote villages is being done through Solar Home Lighting systems under Remote Village Electrification Programme. Villages in border areas are being electrified under PM's package. The National Biogas and Manure Management Programme (NBNMP) is being implemented in the North-Eastern Region (NER) States through State Government Departments/State Government Agencies. Khadi and Village Industries Commission (KVIC) is also implementing the programme in the State.

MNRE had announced special initiatives to meet energy requirement of border villages in Arunachal Pradesh in January 2008 and January 2010. Under the plan, 1483 un-electrified border villages in the State were to be electrified through solar power and small hydro power projects. 425 villages were to be electrified by completing the on-going small hydro power projects by the Department of Hydro Power Development (DHPD), Govt. of Arunachal Pradesh. Balance 1058 villages were to be electrified/illuminated from small/micro hydel projects and solar photovoltaic systems.

Issues

Creation of awareness about solution to energy problems through use of cost-effective solar applications, family type Biogas plants etc., is most important. Sensitisation of bankers about the need for financing of such units is another essential intervention required for development of this sector. The Jawaharlal Nehru National Solar Mission (JNNSM), which provides benefit to the ultimate consumer with 40% subsidy needs to be propagated by involving District level extension machinery.

MNRE approved dealers in solar applications are to be roped in to facilitate bank financing and demonstrating uses of solar applications.

Projections for the year 2024-25

Considering the potentials, infrastructure available, likely to be made available and based on discussions with the stake holders in promotion of the sector, the credit potential has been assessed at ₹393.38 lakh for the year 2024-25 as given in Annexure I.

Suggested Action Points

- Banks may enhance financing for the activity.
- Demonstration units may be set up by APEDA for popularization and creation of awareness about the use of cost-effective solar and biogas models.
- In order to ensure availability of servicing facilities as and when needed, the beneficiaries may be imparted basic training at the time of installation.
- Audio visual aids, wall posters, hoardings, folk shows, articles in vernacular dailies, etc. may be used to promote the activity in rural areas.
- Govt. may explore ways to identify and bring more number of MNRE approved dealers for supply of solar home light system in the State.

4.9 Informal Credit Delivery System

Status of the sector

The micro finance sector is an important tool for policy makers to reach out to the grass root level and it has a vital role to play in complementing the efforts of the Government of India in addressing the issues like financial exclusion, providing livelihoods and empowering the citizens, and women in particular.

The bank led SHG-BLP, pioneered by NABARD, has grown from a small pilot programme of 500 SHGs in 1992 to the largest microfinance programme of the world, with an outreach spanning more than 13.5 crore rural households. As on 31 March 2023, there are more than 1.34 crore SHGs with aggregate bank deposits of about ₹58,893 crore, annual loan takes off touching almost ₹1,45,200 crore and loans outstanding at nearly ₹1,88,079 crores.

SHG movement in the State started slow. The credit offtake for SHG is also not healthy. As per the 2011 census, the State is having about 1.50 lakh rural households, thereby creating a potential of more than 15000 SHGs. However, the total number of SHGs in the State is 9986 only which leaves a large gap. The vision is therefore to ensure intensive SHG movement as also the capacity building of the members. The details of SHGs in Arunachal Pradesh as per SLBC, Arunachal Pradesh, is indicated in Table 4.11.

State Govt. Initiatives

Supporting Primary Level Federations - With an aim to support Primary Level Federations to help increase livelihood opportunities, the State Govt. has earmarked ₹2000.00 lakhs in the State Budget 2023-24 under DAY NRLM with a grant of Rs.2 lakhs each.

Supporting Self-Help Groups - With an aim to provide credit support to Self Help groups, the State Govt. has earmarked ₹1000.00 lakhs in the State Budget 2022-23 for supporting 1000 numbers of Self-Help Groups promoted by ArSRLM with an amount of Rs.1 lakh each for fixed deposit.

Table 4.11: Details of SHG –Bank Linkage in Arunachal Pradesh (₹ lakh)

FY	Agency	Savings linked		Credit Linked	
		Nos	Amount	Nos	Amount
2020-21	Com. Banks	2144	319.54	140	141.79
	APRB	180	20.87	149	115.43
	APSCB	368	43.10	19	19.17
	Total	2692	383.51	308	276.39
2021-22	Com. Banks	2628	471.70	145	215.70
	APRB	649	545.54	649	545.54
	APSCB	333	35.11	127	161.76
	Total	3610	1052.35	921	923
2022-23	Com. Banks	3306	760.42	194	396.62
	APRB	59	15.22	42	105.78
	APSCB	142	4.24	0	0.00
	Total	3507	779.88	236	502.4

Source : SLBC Arunachal Pradesh, Itanagar

Issues

- Involvement of banks in SHG-BLP, except APRB and SBI is quite discouraging.
- Low level of financial literacy among members leading to lack of awareness on features and benefits of SHG –BLP, in addition to strong grant culture and indifference to avail credit.
- Information asymmetry (due to poor public/social contact of banks), Staff constraints (short duration stay), Poor appraisal of loan, Poor follow up and Lack of support from line departments.
- Weak monitoring mechanism and bank level as well institutional arrangements.

Projections for the year 2024-25

Considering the potentials (including for informal credit delivery system), infrastructure available, number of savings linked groups in the state, likely to be made available and based on discussions with the stake holders in promotion of the sector, the credit potential has been assessed at ₹2070.90 lakh for the year 2024-25 as given in Annexure I.

Suggested Action Points

- Suitable incentives to support the operations of the reputed and credible promotional agencies in the state. Strengthening of ArSRLM and introduce district/regional level layer considering the vast service area and poor connectivity in the state.
- A Credit Guarantee Scheme may be thought off to improve the comfort level of banks in financing SHGs.
- Active involvement of banking sector in SHG-BLP. SLBC may fix bank-wise targets and DLRC/DCC may fix branch wise targets and review their achievements on quarterly basis.
- Convergence may be ensured by credit linking of SHG members skilled under MEDP/LEDP trainings imparted with NABARD grant assistance and implemented by ArSRLM and NGOs.
- SLBC may also put in place all the review and monitoring forums as per RBI guidelines and adhere to them. Banks may also strengthen their awareness on SHG-BLP, appraisal, monitoring and recovery skill/mechanism.

- In order to enhance skill of the members, on-location training of income generating activities, entrepreneurship development programmes also need to be arranged. It is also suggested to open at least two more R-SETIs in the state to facilitate training to the rural masses including SHG members.

Chapter 5

Status and Prospects of Cooperatives

Background

A cooperative is defined as 'an autonomous association of persons united voluntarily to meet their common social, economic and cultural needs as well as their aspirations through a jointly owned and democratically controlled enterprise'.

A cooperative is governed by seven major principles, i.e. voluntary and open membership; principle of democratic member control; principle of member economic participation; principle of autonomy and independence; principle of education, training and information; principle of cooperation and, principle of concern for community.

Cooperative enterprises help their members to collectively solve shared socio-economic problems. Cooperatives strengthen bargaining powers of their members, help them get access to competitive markets and to capitalize on new market opportunities. As such, they improve income opportunities, reduce costs and manage risks of the members.

2. Status of Cooperatives in the Country

There are 7,39,582 non-credit cooperative societies, 93,978 PACS/LAMPS and 1,469 Multi State Cooperative Societies operating in the country.

Table 5.1: Cooperatives in the country

Sr No	Type	Number of Societies
A. Details of Non Credit Cooperative Societies		
1	AH Sector (Milk/Fishery/ Poultry etc.)	185660
2	Consumer Stores	25207
3	Housing Societies	134798
4	Weavers	11521
5	Marketing	8875
6	Labour Societies	46692
7	Industrial Societies	19385
8	Agro Processing and Sugar	5872
9	All others (pl. specify)	301572
	Total	739582
B. Details of Credit Cooperative Societies		
10	Primary Agriculture Credit Societies	93978
C. Details of Multi State Cooperative Societies		
11.	No. of MSCS	1469
<i>Source: NCUI 2018</i>		

Further, in terms of federations, there are about 2705 district level federations, 390 state level federations and 20 national level federations in the country.

3. Formation of Ministry of Cooperation by GoI

The GoI has set up a separate Ministry for Cooperation on 06 July 2021 which will provide a separate administrative legal and policy framework for strengthening the cooperative movement in the country, to help deepen the presence of cooperatives, to streamline processes for 'Ease of doing business' for co-operatives and enable development of Multi-State Co-operatives (MSCS). In the words of the

Hon'ble Prime Minister, "The Cooperative movement is such a model which can provide a successful alternative to socialism and capitalism".

4. Latest initiatives by Ministry of Cooperation (MoC), GoI

The MoC has, in consultation, coordination and partnership with state governments, NABARD, national level federations, training establishments at state and national level and other stakeholders is working on the following initiatives:

- **Computerization of Primary Agriculture Cooperative Societies:** This scheme aims at computerization of 63000 functional PACS leading to increase in efficiency, profitability, transparency and accountability in the working of PACS.
- **Co-operative Education - Setting up of World's largest Cooperative University:** This aims at introduction of cooperative education as a course curriculum and also as independent degree / diploma courses in Schools and Universities. This will also take care of research in the field of cooperation.
- **World's largest Cooperative Training Scheme:** This aims at revamping strengthening existing cooperative training structure in the country and modernize the training methods through a revamped scheme.
- To provide facilities at par with FPOs for existing PACS
- Establishing Multipurpose PACS/ Dairy/ Fisheries cooperatives in every panchayat
- World's largest food grain storage scheme for cooperatives
- Revival and computerization of PCARDBs/ SCARDBs
- Establishment of National Cooperative Database - Amendment to Multi State Coop. Act 2002 and setting up of 3 new MSCS
- New Cooperative Policy - Drafting of new Cooperative policy with a view to strengthen the cooperatives and make them vibrant with increased contribution to the economy

All these initiatives will create immense business potential from grassroot upward in times to come.

5.1 Status of Cooperatives in the State

There are 1061 Large Credit Cooperative Societies and 34 LAMPS operating in the State .

Table 5. 2: Cooperatives in the State

Sr. No	Type	Number of Societies
A. Details of Non-Credit Cooperative Societies		
1	AH Sector (Milk/Fishery/ Poultry etc.)	22
2	Consumer Stores	62
3	Housing Societies	1
4	Weavers	11
5	Marketing	5
6	Labour Societies	Nil
7	Industrial Societies	Nil
8	Agro Processing and Sugar	Nil
9	Farming Societies	33
10	Women Societies	2
11	All others (pl.specify)	903
12	Apex Cooperative Societies	6
13	Society under Liquidation	16

Sr. No	Type	Number of Societies
	Total	1061
B. Details of Credit Cooperative Societies		
14	Primary Agriculture Credit Societies	34
C. Large Area Multipurpose Societies (LAMPS)		
15	No. of MSCS	Nil
<i>Source: Statistical Abstract of Arunachal Pradesh -2021</i>		

5.2 Recent developments/ latest initiatives by State Government in strengthening the outreach and activities of cooperatives:

The state currently has an average cooperative profile, with 1079 existing cooperative societies, including 35 LAMPS. Unfortunately, many of these societies are non-functional or defunct, leading to the liquidation of around 16 cooperative societies by the Department of Cooperation. The Arunachal Pradesh State Cooperative Apex Bank, the apex level society, faces financial challenges.

To address these issues, the Department of Cooperation, GoAP, is working to strengthen the financial position of the bank. As part of the PACS computerization project by the Ministry of Cooperation, GoI, 14 LAMPS have been identified, and the remaining LAMPS will be addressed in the second phase. The RCS has initiated the identification process for LAMPS under the World's Largest Grain Storage program in the cooperative sector.

In line with the Government of India's cooperative development program, District Cooperative Development Committees and State Cooperative Development Committees have been formed at district and state levels to oversee and monitor cooperative activities. The institutional framework aims to establish 150 LAMPS, 157 dairy, and 184 fishery cooperatives in the state over the next five years. NABARD Regional Office and District Offices actively collaborate with the State Government for successful program implementation.

5.3 Potential for formation of cooperatives: Aunachal Pradesh has a deficient cooperative profile under 15 Sector. There is fair potential for cooperative activity in farming, animal husbandry, weaving etc. This can have immense multiplier effect in giving a fillip to economic activities in these areas.

Table 5.3: Potential for formation of cooperatives in the state

Sr.No	Name of Sector	Name of Potential Districts	Approximate Potential (No. of Cooperatives)
1	LAMPS	Papum Pare, West Siang, Shi Yomi,Kamle, Tirap, Longding, Changlang, East Siang, Lohit, Upper Siang,West Kameng, Tawang, Anjaw, Lower Dibang Valley, Lower Subansiri	73
2	Diary	Papum Pare, Shi Yomi,Kamle, Tirap, Longding, Changlang, East Siang, Lohit, Upper Siang,West Kameng, Tawang, Anjaw, Lower Di-bang Valley, Lower Subansiri	81
3	Fishery	Papum Pare, West Siang, Shi Yomi,Kamle, Tirap, Longding, Changlang, East Siang, Lohit, Upper Siang,West Kameng, Anjaw, Lower Dibang Valley, Lower Subansiri	106

Chapter 6

INFRASTRUCTURE SUPPORT

Infrastructure Support - Public Investment

Rural Infrastructure is critical for stimulating the rural economy and achieving the United Nations' Sustainable Development Goals by 2030. For a fast-paced growth in productivity of agriculture and allied activities as also the off-farm sector, development of rural infrastructure assumes utmost importance. A study by the National Institute of Public Finance and Policy highlights that every Rupee spent on infrastructure investment leads to increase in GDP by ₹2.45. Improvement in Infrastructure results providing market linkages through efficient value-chain management, and improves the standard of living of the rural population. Therefore, it is imperative to support the development of rural infrastructure through public investment in sectors like irrigation, road and bridges, and social sector projects. In addition, investments by the private sector, as well as through public private partnership (PPP) are very important for creation of rural infrastructure, which have high complementarity with public investments.

A recent study by Gulati advocates the need to bring markets closer to the farmers. Setting up of the 1 lakh crore Agriculture Infrastructure Fund by the Government of India under the post pandemic Atma Nirbhar package would address the issues of lack of cold storage, post-harvest management infrastructure, and markets in the vicinity of the farm gate. The study has also shown that increasing the efficiency of the value chain is an important factor for agricultural growth.

Infrastructure primarily means the basic facilities, services and installations needed for a community or society. Rural infrastructure assumes crucial importance in India because of the country's large tracts covering rural area in its backwardness. Better rural infrastructure has twin effects of strengthening the foundation of agriculture, the pace setter for promotion of economic growth and better health and physical conditions of the rural population.

However, lack of sufficient funds for the massive investment needs of the rural infrastructure, poor efficiency in delivery of quality infrastructure services hamper the provision of effective rural infrastructure.

Infrastructure is an index of development status of the district. Adequate and appropriate infrastructure is essential to exploit full development potential of the district. Lack of infrastructure for storage, processing, marketing, road connectivity, improved inputs etc. directly & indirectly affect production & productivity. Therefore, emphasis should be given in developing and improving infrastructure.

Thus, the development of any region is directly proportional to the infrastructure index. Hence, it has been NABARD's endeavor to supplement the State Government's effort in augmenting the rural infrastructure through RIDF since 1999-2000 in the State of Arunachal Pradesh.

2. Status of Infrastructure in Arunachal Pradesh

The pace of development of the State has been hampered by many infrastructural bottlenecks. The road density of the State is as low as 28 km per 100 sq. km. Out of the 5589 villages; many of them are yet to be covered by motorable roads. Status of banking infrastructure has been provided in Chapter 2. Details of roads in the state as per the Statistical Abstract 2020 is given in Table 6.1.

More than half of the rural households do not have access to drinking water. The health infrastructure of the state also needs to be beefed up. The post-harvest infrastructure for storage, grading/standardization, processing are virtually absent in the state resulting in post-harvest losses of horticultural crops. All weather connectivity and unsatisfactory power situation has been the major factors hampering development of industries, commercialization of agriculture as also development of tourism in the state.

Table 6.1: Details of road network in Arunachal Pradesh (in Km)

Type of Road	Agency	WBM	Graveled	Black top/ CC	Unsurfaced	Total
NH	APPWD	-	-	-	-	-
	BRTF	-	-	538	-	538
	Total	-	-	538	-	538
District roads	APPWD	571	-	1038	624	2233
	BRTF	71	47	2246	413	2777
	Forest Department	232	936	29	16	1213
	Total	874	983	3313	1236	6223
ODR	APPWD*	1650	1048	3367	7063	13129
	RPWD-PMSGY#	-	-	1365	4586	5951
	RPWD-State Plan#	415	-	87	2546	3047
Rural road	APPWD*	15	-	22	879	916

Source : Statistical Abstracts of Arunachal Pradesh - 2020

*Position as on 31.03.2015, # as on 31.03.2017

Status of drinking water supply, electricity, number of schools, etc. are given in Table 6.2, highlighting the inadequacy as compared to the total geographical area that the state possesses.

Table 6.2: Details of infrastructure in Arunachal Pradesh

Sl. No.	Particulars	Units (No.)
1	Share of village covered with water supply (% to total)	42
2	Share of village electrified (% to total – 31.03.2017)	92
3	Share Electricity Generation (as % of consumption)	7
4	Higher Secondary Schools	161
5	Secondary Schools	302
6	Upper Primary School	1311
7	Primary Schools	2175
8	Universities, NIT, Colleges, Polytechnics, etc. (Allopathy)	57
9	Hospitals.(Allopathic)	19
10	Dispensaries/ CHC/ PHC (Allopathy)	208
11	Health Sub Centres (Allopathy)	587
12	Ayurvedic, Unani, Homeopathy, etc.	125
13	No. of Industrial Estates	16
14	Veterinary Hospital/ Dispensary/ First-Aid Centre	360

Source: Statistical Abstracts of Arunachal Pradesh - 2020, Govt. of ArP.

Lack of connectivity, difficult topography, dense forest cover, floods and landslides due to heavy rains and loose soil and thinly dispersed population make provision and maintenance of infrastructure and service delivery difficult and costly. Position of the state in terms of many index relating to social and economic development is one of the lowest. State ranks the last amongst the states in terms of School Education Quality Index (*NITI Aayog, New Delhi*) for the reference year 2016-17. Similarly, the state is the bottom performer under Composite Water Management Index – 2019 prepared by NITI Aayog, GoI.

3. Rural Infrastructure Development Fund (RIDF)

Genesis and Coverage

The Rural Infrastructure Development Fund (RIDF) was set up in NABARD during 1995-96 with a corpus of ₹2,000 crore, with a view to funding rural infrastructure projects such as medium and minor irrigation, and watershed development, which were lying incomplete due to inadequate financial resources. Over the years, the corpus of the fund has increased to ₹40,000 crore. The fund is sourced from scheduled commercial banks with shortfall in the mandated lending to priority sector and/or agriculture and/or weaker sections. RIDF now covers 39 activities, which are broadly classified as: (i) agriculture and related sectors (ii) rural connectivity and (iii) social sector.

Good infrastructure reduces transportation cost, increases competition, reduces marketing margins, and in this way can directly improve farm income and private investment opportunities. Investment in infrastructure is essential to increase farmers' access to input and output markets, to stimulate the rural non-farm economy and vitalize rural towns, to increase consumer demand in rural areas and to facilitate the integration of less-favored rural areas into national and international economies.

With reference to the State of Arunachal Pradesh, sectors in which infrastructure development is required on a priority basis include rural roads, bridges, irrigation structures for agriculture, rural market yards, warehousing, food processing, drinking water supply, health-care infrastructure and communication system.

The share of RIDF in public investment in rural infrastructure is quite significant. In addition, the share of RIDF loan to outstanding liabilities of states has shown an increasing trend from tranche RIDF-I to tranche RIDF-XXVIII. RIDF has not only emerged as an attractive financing option for State Governments, it has also helped in redirecting shortfall in priority sector credit back to the rural economy. Investments in rural infrastructure enable expansion of rural financial markets, ushering in inclusive growth in the less developed regions of the country. On a cumulative basis, around 30.63 per cent of RIDF funds have been directed to the Eastern and North-Eastern regions for ongoing tranches XXII to XXVIII. Seen in conjunction with the overall increase in RIDF allocations, this is a significant increase in actual value of loans to these regions over the past nine years.

4. Status of RIDF Projects in Arunachal Pradesh

Creation of rural infrastructure is a catalyst for achieving sustainable rural development and RIDF continues to be a major source of funding for State Governments. NABARD has been collaborating with the Govt. of Arunachal Pradesh for meeting the above goals by extending support for Rural Connectivity, Agri related and Social Sectors. The Govt. of Arunachal Pradesh has been availing financial assistance from the Vth tranche of RIDF onwards.

As on 31 March 2023, NABARD has cumulatively sanctioned ₹4,592 crore under RIDF for implementation of 439 projects in the State. Amongst the impact created under the initiative, benefits

have accrued through development of 2,562 KMs of road, 2,527 Mtrs of bridge, irrigation potential of 1,593 Ha and flood protection covering 22,228 Ha of land.

Several factors have contributed to the effectiveness of RIDF. A source of public funding of rural infrastructure projects, which includes timely appraisal, sanction and release of funds to state governments based on actual progress in the implementation of projects, which is monitored not only on ground level (on selective basis) but also in High Power Committee chaired by the Chief Secretary of the State Government.

The Normative Allocation of ₹400 crore has been made for the State of Arunachal Pradesh under RIDF-XXIX for sanctioning rural infrastructure projects during 2023-24. The allocation has been made keeping in view the extant norms as also the past performance under RIDF in the State, including utilization of normative allocation, actual availment of loan sanctioned vis-a-vis drawable amount and sufficiency of borrowing power approved by Govt. of India. During 2022-23, an amount of ₹404.23 crore was sanctioned under RIDF-XXVIII. These include 26 Road and bridge projects, 5 Social Sector Projects and 6 Power sector projects.

The total borrowing limit allowed to the State Govt. of Arunachal Pradesh under Article 293(3) of the Constitution of India for borrowing from FIs including NABARD during the current financial year 2023-24 has been fixed at ₹680.60 crore. The State Government has since taken a conscious decision to diversify its RIDF portfolio to include more of Agriculture, Flood Protection work, Education and Social Sector schemes.

Since 1999-2000, NABARD has sanctioned 439 projects to the State with total financial outlay of ₹4562.80 crore, out of which RIDF assistance is ₹4078.65 crore, covering various sectors as detailed in Table 6.3.

Table 6.3: RIDF-Sector-wise Sanctions & Disbursements (₹ crore)

Sl No	Sectors	No. of projects Sanctioned		NB Loan Sanctioned		NB Loan Disbursed	
		Amount	% to total	Amount	% to total	Amount	% to total
1	Agri & related sector	37	8.43	283.97	6.22	199.12	7.08
2	Power	30	6.83	219.86	4.81	172.95	6.15
3	Roads & Bridges	279	63.56	2681.73	58.77	1807.01	64.27
4	Social Sector	93	21.18	893.09	19.57	632.44	22.49
	Total	439	100	4078.65	100	2811.55	100

Source: NABARD, Regional Office, Itanagar

The interest rate on RIDF loans has been revised to 5.25% p.a., which makes RIDF the cheapest source of institutional finance for the State Government for implementing rural infrastructure projects. Under RIDF V to XXVIII, Road and Bridge projects accounted for the major portion (about 63.56%) of the projects and amount (64.27%) sanctioned, which is in consonance with the necessity to mitigate the connectivity related hardships in the state. Maximum number of projects sanctioned are in Papumpare (35) and Kurung Kumey (35) followed by East Kameng (31).

These projects, on completion, will result in benefits such as reduction in cost of transportation, reduction in travel distance and time, reduction in vehicle operating costs, better access to markets,

timely marketing, facilitate change in cropping pattern, reduction in cost of inputs/cultivation, cost involved in marketing, setting up of MSME units, etc. Social infrastructure like schools, health centres, etc. aid improve the quality of life. The cumulative position of sanction and disbursement under the on-going tranches (RIDF XX to XXVII) as on 31 March 2023, is as indicated in Table 6.4.

Table 6.4: Cumulative sanction and disbursement under the on-going tranches

(₹ crore)

Sl. No.	Tranche	No. of projects Sanctioned	RIDF Loan Sanctioned	RIDF Loan Disbursed
1	XX (2014-15)	8	70.37	70.04
2	XXI (2015-16)	19	159.77	157.58
3	XXII (2016-17)	21	255.48	228.07
4	XXIII (2017-18)	27	336.2	215.29
5	XXIV (2018-19)	43	341.97	223.01
6	XXV (2019-20)	23	304.71	126.27
7	XXVI (2020-21)	21	347.80	139.44
8	XXVII (2021-22)	81	453.85	117.71
9	XXVIII (2022-23)	37	404.24	348.70
	Total	280	2674.39	1626.11

During 2022-23, NABARD had sanctioned 37 projects, proposed by the Government of Arunachal Pradesh, with a RIDF loan of ₹404.24 crore, which included 26 Road and bridge projects, 5 Social Sector Projects and 6 Power sectors under RIDF XXVIII.

5. Infrastructural gaps and Interventions required in the state with

State Govt. for inclusion in the budget

Based on the PLP estimation done for the year 2024-25, the following interventions for promotion of Infrastructure are required in Arunachal Pradesh.

Connectivity related

- Improved connectivity being the most crucial affects development of all other sectors of the state's economy, merits topmost priority by the State Government, in view of very low road density in the state.
- Priority need to be accorded to connect all villages to main road with motorable all-weather roads, to enable farmers to go for crop diversification and commercialization of agriculture.
- Efforts are to be made to maintain the existing road infrastructure, a larger share of which is not in good/ motorable stage.

Agriculture Related

- Infrastructure in Government seed farms/ KVKs are to be strengthened to supply good quality seed/ planting materials in adequate quantity to the farmers.
- Demonstration Farms may also be set up at farmers' field to highlight the latest technology to facilitate technology adoption by farmers.

- The post-harvest infrastructure for storage, grading/ standardization, processing and marketing has to be put in place at major production centers to mitigate post-harvest loss of horticulture produce.
- Agri-horticulture extension machinery needs to ensure facilitation of technology up gradation by farmers, popularization of modern agronomic practices such as slope specific selection of crops for cultivation and supply of quality planting material.
- An institutional framework for providing soil health cards to farmers and strengthening soil testing infrastructure at district level needs to be put in place. Proper functioning of Soil Test Labs in KVK and its suitable publicity need to be ensured.
- Proper legal frameworks for preventing encroachment of public properties common infrastructure, lands owned by Government farms/ KVKs/ public entities need to be evolved.

Allied Activities

- Existing Animal breeding farms and Fish Hatcheries have to be strengthened and new units set up to ensure adequate supply of heifers, piglets and DOCs for farmers involved in AH activities and in Fisheries sector.
- The existing extension mechanism in the AH Sector has to be strengthened to facilitate upgradation of germplasm and in popularization of better husbandry practices.
- Veterinary infrastructure available in the state need to be strengthened to provide adequate and quality care to the animals.

Post -Harvest Related

- Facilities like chilling plants, dairy processing units, modern abattoirs, feed mixing units also need to be set up at production centres/ consumption points in Government Sector, Cooperative Sector or in PPP mode.
- Agro-Processing units and Food Parks that provide a mechanism to link agricultural production to the market have to be actively promoted so as to ensure maximization of value addition, minimization of wastage, increase in farmers' income and creation of employment opportunities particularly in rural sector.
- Agri marketing infrastructure needs to be strengthened and facilities like cold storage, warehouses and infrastructure facilities in APMCs may be strengthened by availing assistance under WIF operated by NABARD

Social Sector

- In the social sector, there is urgent requirement for good infrastructure for the existing as well establishing more PHCs/ Rural Dispensaries, primary schools and *anganwadis* especially in far-flung areas of the state.
- Health system has to be revamped to ensure provision of health services to the poor and disadvantaged sections of the society especially those living in the far-flung areas.
- The infrastructure for providing Vocational Training in Non-Farm Sector needs strengthening. Vocational Training and Industrial Training Centers need to be set up.

6. Others

- Appropriate watershed projects need to be encouraged with peoples' participation to harness the untapped benefits from soil and water conservation. It is also necessary to implement interventions for rejuvenation of natural springs as a source of irrigation as well as domestic use.
- In order to give a fillip to development of SME Sector and handicrafts and rural crafts more Industrial Parks and crafts villages have to be set up.

Other Initiatives for Infrastructure Development by NABARD

Rural Infrastructure Promotion Fund (RIPF)

NABARD has set up a separate fund titled 'Rural Infrastructure Promotion Fund (RIPF)' with a corpus of ₹25 crore contributed out of margin received by NABARD from the special window created under RIDF for funding the rural roads component of Bharat Nirman through NRRDA. The objective of the Fund is to support the activities required for promotional efforts for RIDF.

Eligible Activities under the fund include:

- Knowledge sharing workshops/ seminars, conferences for policy makers/ peoples' representatives, on topics on infrastructure development/ promotion.
- Exposure visits national and international, of officials from Commercial Banks, RBI, GoI and State Govt., NABARD and other agencies involved in promotion of rural infrastructure. Exposure visits of Govt. officials to other states for exchange of technical experts on RIDF implementation procedure, good practices, etc.
- Evaluation studies on RIDF projects, external monitoring of innovative infrastructure projects and survey for potential assessment/ demand survey for new rural infrastructure projects and publication of success stories, documentation of good practices, etc. in infrastructure sector.
- Preparation of detailed project reports for infrastructure development of North-East/ East/ Hilly areas by NABCONS on the approval of the concerned State Government.
- Support to different stakeholders to develop/ promote experimental infrastructure projects/ proto-types.

Assistance under RIPF can be availed by State Governments/ UTs, Non-Government Organisations (NGOs), registered Community Based Organisations (CBOs) (providing different support services to agricultural and allied sectors), Panchayati Raj Institutions (PRIs), SHGs/ SHG Federations and Farmers' Clubs/ FC Federations, Research Institutions, Universities, Other stakeholders (whose objectives/ activities are in conformity with the overall objectives of RIPF and are approved by NABARD) and Offices of NABARD. Eligible Institutions/ entities of repute, registered under relevant Acts, have minimum three years' Audited Balance Sheets/ P&L A/cs, have good track record/ relevant experience in the field and have requisite staff, particularly technical staff, to look after and monitor the project will only considered.

Generally, projects/ programmes having short duration of up to one year would be considered for support under the Fund. The support will be only in the form of grant. NABARD may support the projects fully or partially. For certain experimental/ innovative projects benefiting the community, NABARD may prescribe peoples' participation in terms of "*Shramadan*", or any other mode of contribution by the community to implement the project.

RIPF in Arunachal Pradesh

During 2018-19, under RIPF, a grant support of ₹87,83,059 was sanctioned and disbursed to Arunachal Pradesh Energy Development Agency (APEDA), Itanagar for project 'LED based Solar Street Lighting Systems in four districts of Arunachal Pradesh viz., Longding, Namsai, Tirap and Tawang districts'. Under the project, 275 LED based Solar Lighting Systems have been installed in

the four districts of Arunachal Pradesh, lighting up the lives of 1.98 lakh population in the border districts and saving 18 MWh of electricity, annually.

NABARD Infrastructure Development Assistance (NIDA)

NABARD Infrastructure Development Assistance (NIDA) offers flexible long-term loans to well-managed public sector entities for financing rural infrastructure. The major sectors covered under NIDA are agriculture, roads and bridges, rural transport, renewable energy, power transmission, irrigation, warehouses, drinking water and sanitation, social and commercial infrastructure in rural areas, etc. Inclusion of public-private partnership (PPP) and non-PPP projects - to be undertaken by registered entities like corporates/ companies, cooperatives, etc. has further broadened NIDA's scope of funding. Financing under NIDA covers the overall borrowing limit under Article 293 (3) of the Constitution. In such cases, they may resort to off-budget borrowing by state-owned entities who can channelize funds for infrastructure creation. The State Government may want to encourage profit making state agencies having assured income stream to approach NABARD for funding infrastructure projects, thus reducing dependence on budgetary resources.

On the other hand, in cases where the state government's borrowing limits have not been exceeded, but its RIDF allocation is not sufficient to meet the infrastructure needs of the state, or the requirements are beyond eligible activities specified under RIDF, NIDA can be an effective window for the State Government to channelize funds for infrastructure creation.

Agencies/Institutions such as State Governments, State/Central Govt. Companies, Corporations, other Govt. Institutions, Dairy Co-ops./Federations, Agri. Marketing Co-ops./ Federations, Local bodies, Private Companies, SHG Federations/NGO/Community Owned Organizations/Producer Organizations, Special Purpose Vehicle (SPV), etc. are eligible for assistance under the NIDA.

Cumulatively, 117 projects with term loan of ₹69,112.90 crore have been sanctioned and an amount of ₹36,265.90 crore have been is disbursed under NIDA, in various states, as on 31 March 2023. Projects sanctioned under NIDA are in diversified areas catering to various aspects of rural infrastructure. During 2022-23, term loan of ₹3,581.70 crore was sanctioned under NIDA. Irrigation projects accounted for 85.6% of the total sanctions.

To expedite infrastructure development through NIDA fund, the Govt. of Arunachal Pradesh has approved the establishment of the Arunachal Pradesh Infrastructure Financing Authority.

Warehousing Infrastructure Development (WIF)

Warehousing forms a crucial link in the overall logistics in a given value chain. Considering the role to be played by both public and private sectors for further augmenting the scientific storage capacity in the country for food grains as well as perishable food products (by way of strengthening of cold chain and supply logistics) and also to give a pointed focus for extending financial support to these players in this sector by NABARD, GoI had instituted a separate fund entitled Warehouse Infrastructure Fund (WIF) with a corpus of ₹5000 crore during 2013-14, which was continued during 2014-15 also with a further corpus of ₹5000 crore.

The major objectives of Warehouse Infrastructure Fund (WIF) are to provide credit to public and private players for creation and augmentation of decentralized modern scientific storage facilities;

leverage credit facilities for farmers against stored produce to reduce the need for distress sale; and to realise better prices for agri-produce immediately after harvest.

As on 31 March 2023, cumulatively NABARD had financed 9.32 million metric tonnes (MMT) capacity of scientific storage facilities, with an estimated capital investment of ₹9,453 crore under WIF, to provide impetus to overall development of post-harvest infrastructure in the country.

Food Processing Fund

Government of India instituted the Food Processing Fund (FPF) in NABARD in 2014-15, with a corpus of ₹2,000 crore with a view to promote food processing industry. Credit support under the dedicated fund enables public and private players for setting up food parks and food processing units in designated food parks (DFPs) notified by the Ministry of Food Processing Industries (MoFPI), Government of India. The Fund helps in the management of abundant supply of agricultural produce and growing domestic demand for processed foods.

NABARD sanctioned ₹107.00 crore to four projects during 2021-22 taking the cumulative loan sanctioned to ₹781.10 crore which includes 14 mega food park (MFP) projects, 08 agro processing clusters and 13 individual food processing units as on 31 March 2022. During the year, ₹111.00 crore was disbursed, taking the cumulative disbursements to ₹520.40 crore for the sanctioned projects. Under Food Processing Fund (FPF), term loan has been extended to all types of eligible activities viz. Mega Food Parks, Agro Processing Clusters and Individual units; and different borrowing entities, viz. State Govt., State owned entities, Federations, Companies, etc. Fifteen (15) States have been covered including North Eastern States Assam and Manipur.

Government of Arunachal Pradesh is yet to avail the benefit of this fund. However, the State Government is going to establish around thirty various food processing industries wherein the local farmers of the area will get many benefits for the economic transformation and economic upliftment. It is also expected that around 3000-4000 local people especially farmers and unemployed youths of the area will get employment opportunities for livelihood and sustainability.

Pradhan Mantri Awaas Yojana - Gramin (PMAY-G)

Committed to achieving Sustainable Development Goals (SDGs), poverty alleviation and inclusive growth, the Government of India has been implementing various programmes and schemes where NABARD has been an active partner. In pursuance of the objective of GoI to provide Housing for All by 2022, the erstwhile rural housing scheme, Indira Awaas Yojana, has been restructured into the PMAY-G with effect from 1 April 2016. The PMAY-G aims at providing pucca house, with basic amenities, to all houseless households and those households living in kutchha and dilapidated house by 2022.

To achieve the set objective of PMAY-G, 2.95 crore houses are set to be constructed by 2022, and in the first phase, one crore houses are to be constructed over a period of three years commencing from 2016-17, with a financial requirement towards Central Share amounting to ₹81,975 crore. Out of the total requirement, an amount of ₹60,000 crore was expected to be met from budgetary sources and the balance financial requirement of ₹21,975 crore is expected to be met through borrowing by National Rural Infrastructure Development Authority (NRIDA) on behalf of MoRD, GoI from NABARD. Accordingly, NABARD has sanctioned a loan of ₹61,975 crore to NRIDA. An amount of

₹48,819 crore was availed by NRIDA as on 31 March 2023 from NABARD as Central Share assistance. As on 30 March 2023, more than 1.8 crore houses has been completed under PMAY-G.

Micro Irrigation Fund

GoI in 2017-18 announced the setting up of the Micro-Irrigation Fund (MIF) in NABARD with an initial corpus of ₹5,000 crore to extend loans to state governments incentivising installation of micro-irrigation systems by farmers and support to other innovative measures. The main objective of MIF shall be to facilitate the states in mobilising the resources for expanding coverage of micro-irrigation by taking up special and innovative projects and also for incentivising micro-irrigation beyond the provisions available under PMKSY-PDMC to encourage farmers to install micro-irrigation systems. An additional 1.6 million ha of land will be brought under micro-irrigation exclusively through MIF. The operational guidelines of the fund have been finalised for implementation.

During 2022-23, ₹3,654 crore was sanctioned to 4 states viz. Tamilnadu, Haryana, Gujarat, and Rajasthan. This will help these States to expand more irrigation to an area of 17.1 lakh ha.

Fisheries and Aquaculture Infrastructure Development Fund

Government of India created the Fisheries and Aquaculture Infrastructure Development Fund (FIDF) with a total corpus of ₹7,522.48 crore to be implemented over a period of five years (2018-19 to 2022-23). In order to enhance the income of farmers, there is a need to diversify their activities into fisheries and animal husbandry sectors which will create further employment opportunities. FIDF envisages establishment of 10 fishing harbours, 10 fish landing centres, 10 integrated cold chains, 500 modern fish markets, 15 fish processing units, and other infrastructure facilities. NABARD shall fund the public infrastructure components under FIDF for each state government. This would provide the necessary boost to these sectors, and also create further employment opportunities.

Dairy Processing and Infrastructure Development Fund

Dairy Processing and Infrastructure Development Fund (DIDF) has been set up in NABARD with a corpus of ₹8,004 crore. The objectives of the scheme are modernisation of dairy infrastructure and creation of additional infrastructure for milk processing, value addition by producing more dairy products and to help the producer owned and controlled institutions to consolidate their market position in the organised liquid milk market and to ensure optimum price realisation by the primary producers. As on 31 March 2021, 43 projects in 11 states (viz., Karnataka, Maharashtra, Gujarat, Haryana, Punjab, Andhra Pradesh, Telangana, West Bengal, Rajasthan, Kerala and Tamil Nadu) have been sanctioned to NDDB with loan amount of ₹3,644.50 crore for an investment of ₹5,256.50 crore in the dairy processing sector. The cumulative amount disbursed was ₹2,084.6 crore as on 31 March 2023.

As per the latest survey NAFIS 2016-17, 51% of agricultural households own milch animals. Currently, milk production in the country at 176 million tonnes is growing at 6.5%. More than 1.6 crore dairy farmers are members of the dairy cooperatives. Building modern infrastructure for processing and value addition in the cooperative sector will ensure better handling of the increased milk production and better price realization for farmers.

Chapter 7

Details of Policy Initiatives of GoI, RBI, NABARD and the State Govt.

1.1 Policy Initiatives - Government of India

1.1.1 Union Budget of India- 2023-24 - Major Highlights

Vision for *Amrit Kaal* – an empowered and inclusive economy

- Facilitating ample opportunities for citizens, especially the youth, to fulfil their aspirations
- Providing strong impetus to growth and job creation
- Strengthening macro-economic stability

Priorities of the Budget: Saptarishi

1. Inclusive Development

- Building an accessible, inclusive and informative solutions for farmers
- Setting up Agri Accelerator Fund for encouraging innovative start-ups in rural areas
- Launching of Atmanirbhar Horticulture Clean Plant Program to boost production of high value horticultural crops
- Target of Rs.20 lakh crore for agriculture credit with focus on animal husbandry, dairy and fisheries
- Pradhan Mantri Matsya Kisan Samridhi Sah-Yojana (PM-MKSSY), as a Central Sector Sub-scheme under PMMSY with targeted investment of Rs.6,000 crore
- Making India Global Hub for Millets : 'Sree Anna'
- Setting up of massive decentralised storage capacity for enhancing remuneration of farmers

2. Reaching the Last Mile

- Saturation of essential government services across multiple domains in 500 aspirational blocks
- Launching of Pradhan Mantra Development Mission to saturate Particularly Vulnerable Tribal Groups (PVTG) families and habitations

3. Infrastructure and Investment

- Continuance of the 50-year interest free loan to state governments for one more year to spur investment in infrastructure

4. Unleashing the Potential

- National Data Governance Policy to be brought out to enable access to anonymized data for start-ups and academia
- Vivad se Vishwas I for providing relief to MSMEs affected during COVID
- Entity DigiLocker to be set up for use by MSMEs, large business and charitable trusts for storing and sharing documents online securely

5. Green Growth

- Green Credit Programme to be notified under the Environment (Protection) Act to incentivize environmentally sustainable and responsive actions
- PM Programme for Restoration, Awareness, Nourishment and Amelioration of Mother Earth (PM-PRANAM) to be launched to incentivize States/UTs to promote alternative fertilizers

- 500 new 'waste to wealth' plants under GOBARDhan (Galvanizing Organic Bio-Agro Resources Dhan) scheme to be established for promoting circular economy
- Mangrove Initiative for Shoreline Habitats & Tangible Incomes (MISHTI) to be taken up for mangrove plantation along the coastline and on salt pan lands
- Amrit Dharohar to be implemented for optimal use of wetlands
- Setting up 10,000 bio-inputs resource centre to facilitate farmers adopt natural farming

6. Youth Power

- Pradhan Mantri Kaushal Vikas Yojana 4.0 to be launched to skill lakhs of youth within the next three years
- Digital ecosystem for skilling to be further expanded with the launch of a unified Skill India Digital platform

7. Financial Sector

- National Financial Information Registry (NFIR) to be set up to serve as the central repository of financial and ancillary information
- Expanded corpus under Credit Guarantee for MSMEs to enable additional collateral-free guaranteed credit of Rs.2 lakh crore

1.1.2 PACS Computerisation - The new Ministry of Cooperation was formed with a mandate to realise the vision of 'Sahakar Se Samridhi'. To realise this vision, the GoI have initiated computerisation of 63,000 Primary Agricultural Credit Societies (PACS) with an investment of Rs.2,516 crore. NABARD, apart from financial contributions, has taken the initiative of ground level implementation of the project.

1.1.3 National Cooperative Policy - The National Cooperative Policy envisions increasing contribution of cooperative sector in GDP from present level of Rs.21 lakh crore to Rs.90 lakh crore by year 2030 and reaching around Rs.900 lakh crore by 2047, thereby aiming to achieve the target of around 40% share in the GDP of the nation. The Policy Framework is under finalisation.

1.1.4 World's Largest Grain Storage - Ministry of Cooperation, GoI had conceived the idea of creating the World's largest grain storage in the Cooperative sector by establishing Godowns /Warehouses of varying capacities at the grassroots cooperatives. NABARD is involved with the MoC in implementing the pilot project. NABARD has awarded the assignment on preparation of Detailed Project Report (DPR) and Project Management Consultancy (PMC) to NABCONS.

1.1.5 Formation of 2 lakh more PACS - Union Cabinet, in its meeting held on 15.02.2023, has approved the plan for Strengthening Cooperative Movement in the country by formation of 2 lakh PACS in next five years. NABARD, NDDB and NFDB are required to prepare national level action plans for strengthening of primary cooperative societies and establishment of new multipurpose PACS or primary Dairy/ Fishery cooperative societies, as per requirement.

1.1.6 Formation of Multi State Cooperative Societies – GoI is envisaging formation of three Multi State Cooperative Societies at national level, one each for Exports, Certified Seeds and Organic Farming to give special focus on the produce of the cooperatives.

1.1.7 JanSamarth Portal – GoI has launched JanSamarth Portal, a unique digital portal linking twelve Credit Linked Govt. Schemes on a single platform, for ease of access to all the beneficiaries and related stakeholders. The Portal uses cutting-edge technology and smart analytics to provide intuitive guidance to beneficiaries for checking subsidy eligibility and auto recommendation system offers best suitable scheme as per beneficiary's requirements and credentials. Advanced technologies automate entire lending process based on digital verifications making the entire process simple, speedy and hassle free.

1.1.8 Account Aggregator Framework - Account Aggregator (AA) network is a financial data-sharing system that gives consumers, greater access and control over their financial records and expands the potential pool of customers for lenders and fintech companies. GoI has directed that all banks, including the Cooperative Banks and RRBs should on-board the AA framework. NABARD has come forward to set up a Common Infrastructure at its level and on-board the cooperative banks on the AA ecosystem as a service to the banks.

Table 7.1: Credit Guarantee Scheme

Item	Credit Guarantee Scheme for FPOs	Credit Guarantee Scheme for Animal Husbandry and Dairying
Guarantee Cover	85% of the sanctioned amount max. Rs.1.5 cr	25% of the Credit Facility
Annual Guarantee Fee	Up to 0.85% of sanctioned amount	0.50% of the sanctioned amount
Eligible Lending Institutions	Scheduled Commercial Banks, Co-operative Banks, NEDFI, NABKISAN, etc.	Scheduled Banks
Eligible Borrower	FPOs (Agri based)	FPO, Pvt. Company, Sec. 8 Company, Individual Entrepreneur, MSME, etc.

1.1.9 Aspirational Block Programme (ABP) - The Hon'ble Prime Minister has launched the Aspirational Block Program throughout India with a special emphasis on the "India-First Approach" in January 2023. The programme aims at developing the most backward blocks of the country identified based on a variety of factors as recognized by NITI Aayog. The program will cover 500 districts across 31 states and UTs initially with over half of these blocks are in 6 states - Uttar Pradesh (68 blocks), Bihar (61), Madhya Pradesh (42), Jharkhand (34), Odisha (29) and West Bengal (29). ABP will concentrate on tracking 15 important socio-economic indicators covering Health and nutrition, education, agriculture and water resources, basic infrastructure, skill development, financial inclusion and social development. These socio-economic indicators will be monitored in real-time, and periodic rankings in important subject areas will be made public in order to promote healthy competition among the blocks and data-driven government.

1.1.10 Enhancing Credit Flow: Credit Guarantee Schemes: Credit Guarantees are risk-sharing instruments for lenders and are aimed to improve flow of credit in borrowers' segment which are normally perceived to be risky by lenders. For the promotion of Agriculture and Allied Sector, GoI has announced two Credit Guarantee Schemes which are being managed by NABSanrakshan Trustee Private Limited, a wholly owned subsidiary of NABARD.

1.2 Policy Initiatives - Reserve Bank of India

The following important initiatives have been taken by the RBI under Agriculture and Rural Sector:

- i. Master Circular on Lead Bank Scheme (FIDD.CO.LBS.BC.No.04/02.01.001/2023-24 dated 03 April 2023) issued by RBI has inter alia included revised agenda for SLBC meetings, activities under annual calendar, mechanism of data flow for LBS fora meetings, alternative framework of Due Diligence in place of No Dues Certificate, etc.
- ii. As per Master Circular on SHG - Bank Linkage Programme (FIDD.CO.FID.BC.No.1/12.01.033/2023-24 dated 01 April 2023) issued by RBI, a simple system requiring minimum procedures and documentation is a precondition for augmenting flow of credit to SHGs.
- iii. Master Circular on Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM) SHG-Bank Linkage Programme consolidating all the instructions/ guidelines issued on the subject issued till date was issued by RBI vide circular FIDD.GSSD.CO.BC.No.07/09.01.003/2023-24 dated 26 April 2023.

1.3 Policy Initiatives – NABARD

1.3.1 Long-Term Refinance

To ensure increased and uninterrupted credit flow to farmers, as also to give a boost to capital formation in agriculture sector, NABARD provides refinance to the cooperative banks and RRBs out of Long Term Rural Credit Fund, at a reasonable rate of interest. An amount of Rs. 1,07,015 crore was disbursed during the year 2022-23.

1.3.3 Short-Term Refinance

NABARD provides Short Term refinance to Cooperatives, RRBs and SFBs for their crop loan lending. The disbursement for the year 2022-23 was Rs.1,58,905 crore.

1.3.3 Special Refinance Scheme

NABARD introduced Special Refinance scheme for financing under Agriculture Infrastructure Fund (AIF) for RRBs, Cooperative Banks and subsidiaries of NABARD with a view to address the existing infrastructure gaps and to provide a fillip to the rural financial institutions for funding projects of other than PACS under AIF and also funding to eligible beneficiaries being covered under AIF. The scheme envisages creation of investment in viable projects relating to post harvest management infrastructure and community farming assets.

1.3.4 Government Sponsored Programmes with Bank Credit

- Government of India introduced Sugar Ethanol Interest Subvention scheme in 2018-19 with a view to increase the production of ethanol and its supply under the 'Ethanol Blended Petrol (EBP).' NABARD is the nodal agency responsible for managing the Sugar Ethanol Interest Subvention Scheme of the Department of Food and Public Distribution (DFPD), Government of India.
- KCC-ISS portal developed by MoA & FW, GoI went live in 26 December 2022. Presently, the data entry is going on in the portal. As on 30 March 2023, 174 Cooperative Banks and 29 RRBs have started data entry in the portal. NABARD is monitoring the progress in respect of Cooperative Banks and RRBs.
- NABARD has been playing an important role in channelling subsidy to eligible banks under various credit-linked subsidy schemes of Government of India, primarily for agriculture

projects and priority sector activities. Implementation of these schemes has also enabled enhancement of flow of Ground Level Credit (GLC) to agriculture and allied sector and priority sector activities.

1.3.5 Rural Infrastructure Development Fund (RIDF)

RIDF instituted in NABARD during 1995-96 with the main objective of providing loans to State Governments for completing ongoing rural infrastructure projects, at present covers as many as 39 activities, classified under three broad sector, viz; (i) Agriculture and related sector (ii) Social Sector and (iii) Rural Connectivity. RIDF is estimated to create/restore irrigation potential of 376 lakh ha, 5.35 lakh km of rural roads and 13.34 lakh meters of bridges and also generate non-recurring employment of 3029 crore man-days as on 31 March 2023.

1.3.6 Micro Credit Intervention

NABARD has been extending grant support to partner agencies for promotion and nurturing of SHGs, training and capacity building of SHG members and other stakeholders, besides initiating special programmes for backward regions.

1.3.7 Financial Inclusion

NABARD supports the creation of the financial inclusion infrastructure of banks and various financial inclusion awareness activities under the aegis of the Financial Inclusion Fund (FIF) placed in NABARD. Apart from extending assistance to RFIs for onboarding to technology platform, NABARD has onboarded the Account Aggregator platform as Financial Information User (FIU) which will facilitate structured financial data sharing from Financial Information Users (FIPs).

1.3.8 Institutional Development

Cooperative Development Fund (CDF):

The Cooperative Development Fund was constituted in 1993 under section 45 of NABARD Act 1981, with an initial corpus of Rs 10 crore. The fund is replenished every year through Contribution from NABARD's surplus. Assistance from the CDF is available to co-operatives in the form of soft loans/grants for infrastructure development of PACS for resource mobilisation, human resource development, capacity building and operational streamlining, setting up of PACS Development Cells in CCBs etc., which in turn contribute to their functional efficiency.

As on 31 March 2023, the total utilizations from CDF was Rs. 3,363.30 lakh against the budget allocation of Rs.11,368.50 lakh (Allocation includes Rs.7,000.00 lakh towards GoI's PACS Computerization project).

1.3.9 Farm Sector Development

- **Central Sector Scheme on Formation and Promotion of 10,000 FPOs:** NABARD, as one of the Implementing Agencies under the scheme, has empanelled 110 Agencies to work as CBBOs across the country. As on 31 March 2023, NABARD has sanctioned 1,751 FPOs wherein a total of 3.04 lakh farmers have taken the membership.
- **Climate Change:** NABARD has facilitated sanction of 40 projects with a total financial outlay of Rs.1,852.61 crore under various funding mechanisms viz., Adaptation Fund (AF), National Adaptation Fund for Climate Change (NAFCC) and Green Climate Fund (GCF).

1.3.10 Off Farm Sector Development

Capacity Building Fund - Social Stock Exchange (CBF-SSE): A Capacity Building Fund of Social Stock Exchange (CBF-SSE) is proposed to be created in NABARD with a corpus of Rs.100 crore funded by NABARD, SIDBI, BSE, NSE and Others for awareness creation and capacity building of the different stakeholders.

1.3.11 Agriculture Credit target for 2023-24

For the FY 2022-23, agriculture credit achievement was Rs.21.67 lakh crore, as against the target of Rs.18.50 lakh crore. Agriculture credit target for the year 2023-24 has been fixed at Rs.20 lakh crore. In order to provide special focus to allied activities, separate sub targets of Rs.1.40 lakh crore for working capital and Rs.1.53 lakh crore for term loan towards allied activities under GLC targets have been fixed.

1.4 Policy Initiatives – State Government

The State Government has initiated implementation of several policies/programmes as announced in State Budget for the FY-2023-24. Some of them are mentioned below:

- 2023 has been declared as the year of "Atma Nirbharta Youth Aspirations and Livelihood Opportunities" for self-employment of the youth.
- Provision of Seed money to purchase products from artisans, SHGs, NGOs and others under 'Vocal for Local' initiative.
- Single umbrella scheme by subsuming various ongoing schemes to augment the potential of Agriculture, Horticulture & Allied sectors in the state.
- Vibrant Village Program for comprehensive development of border areas to prevent migration and boost security.
- Investment in Human Capital especially in education by constructing new school/ college buildings/infrastructures installation, better amenities as well as encouraging students through scholarships/felicitation of meritorious students.
- Investment in Health Sector for creating health infrastructures and facilitate incentive oriented health services for the people of the state.
- Promotion of 'Atma Nirbhar Arunachal Pradesh' through various schemes like Promotion of Intensive Millets Cultivation & Processing, Deen Dayal Upadhyaya Swavalamban Yojana, Promotion of Apiculture, Chief Minister's Paryatan Shiksha Yojana (CMPSY), etc.
- Environment Protection and Climate Resilient Development through schemes like incentivising ongoing activities on bamboo sectors, promotion of Medicinal Plantation, application of drone technology in forestry, etc.
- Adoption of Government Reforms and Prudent Financial Management systems.

1.4.1 Recent Developments/ Initiatives by State Government in strengthening of outreach and activities of Cooperatives

There is a sizeable number of societies existing in the state. The state has a total of 1095 cooperative societies including 35 LAMPS. The LAMPS and other societies are no longer involved in credit dispensation activity, which needs revival. There is no lending from the higher financing agencies like Apex cooperative Bank to LAMPS as well, due to long overdue.

The Model Bye-Laws, as prepared by the MoC, GoI, has been adopted by all the LAMPS in the state. As per GoI instructions, the State Govt. has formed the State Cooperative Development Committee (SCDC) to oversee development and monitoring cooperative activities in the state level and District Cooperative Development Committee (DCDC) to look after the functioning of cooperatives at district level. Efforts are also on for converting LAMPS to MSCS and CSC for making the units viable and sustainable entities and for formation of more number of Cooperative Societies to cover uncovered villages in the state as per GoI initiative.

Under PACS computerization project, being implemented by the Ministry of Cooperation, GoI for the entire country, 14 LAMPS have been identified in the state in the first phase.

1.4.2 State Government Sponsored Programmes with Bank Credit

Under the Atmanirbhar Yojana (Krishi & Bagwani), a credit linked subsidy scheme initiated by the state Govt. during the year 2021-22 for farmers and SHG members of the state with budgetary allocations, there is a provision of front-end subsidy to the tune of 45% of projects cost. Keeping in view the success of the scheme, GoAP has continued the Atmanirbhar Schemes for the financial year 2023-24. The Govt. has made budgetary allocation of ₹375 crore under the Atmanirbhar verticals comprising of five schemes as mentioned below:

- Atmanirbhar Krishi Yojana : ₹125 Cr.
- Atmanirbhar Bagwani Yojana : ₹125 Cr.
- Atmanirbhar Pashupalan Yojana: ₹30 Cr.
- Atmanirbhar Matsyapalan Yojana : ₹20 Cr.
- Atmanirbhar Plantation scheme : ₹ 75 Cr.

Budgetary allocation under some other schemes is as below:

- Atmanirbhar Bharat (Vocal for Local) : ₹3 Cr.
- Atmanirbhar Khadya Yojana : ₹25 Cr.
- Chief Minister's Paryatan Vikas Yojana (CMPVY) : ₹10 Cr.
- Deen Dayal Upadhyaya Swavalamban Yojana (DDUSY) : ₹150 Cr.

1.4.3 Any other Policy Initiative taken by State Government impacting Agriculture and Priority Sector

Government of Arunachal Pradesh has envisaged a number of programmes aimed at bringing innovation in design, planning and implementation of critical interventions involving cutting edge and latest technology to bridge infrastructural gaps in agriculture and hence, facilitate generation of employment in rural areas. The following Programmes in particular deserve special mention:

- Intensive Millets Cultivation & processing in line with International year of Millet : ₹ 2 Cr.
- Specially designed Agricultural Drone / Pesticide spraying Drone on Pilot basis : ₹ 50 lakh.
- Application of Drones in Horticulture : ₹ 1 Cr.
- Yak Pastures and Fodder Development Scheme : ₹ 5 Cr.
- Infrastructure of State Horticulture Research and Development Institute (SHRDI) : ₹ 10 Cr.
- Natural resources Inventory for Micro Level Agriculture Planning in 5 districts : ₹ 5 Cr.
- Phal se Poshan Yojana : ₹2.5 Cr.
- Support for VDVks/ SHGs/PLFs/CLFs under ArSLM : ₹ 20 Cr.
- State Remote Sensing Application Center (SRSAC) : ₹5 Cr.

Annexure I
District-wise and Sub-sector –wise PLP Projections for 2024-25

(₹ Lakh)

Sl. No.	Sector	East Kameng	Kurung Kumey	Lower Subansiri	West Kameng	Papum Pare
(1)	(2)	(1)	(2)	(3)	(4)	(5)
1	Agriculture					
1.1	Farm Credit					
i	Crop Production, Maintenance & Marketing	120.78	136.36	702.31	101.16	4124.84
ii	Water Resources	9.29	3.39	4.48	1.70	38.88
iii	Farm Mechanization	16.06	15.35	57.68	12.54	357.20
iv	Plantation & Horticulture	149.25	80.70	235.96	258.40	1790.80
v	Forestry & Waste Land Development	12.32	18.40	10.90	5.92	191.20
vi	Animal Husbandry - Dairy	47.95	102.65	39.80	63.36	428.88
vii	Animal Husbandry - Poultry	9.60	7.18	14.46	18.00	419.28
viii	Animal Husbandry - Sheep, Goat & Piggery	22.48	16.27	25.97	136.42	458.80
ix	Fisheries	16.98	17.59	91.68	148.00	374.00
x	Farm Credit- Others	0.00	0	0.00	0.00	0.00
1.2	Agriculture Infrastructure					
i	Storage and Marketing Infrastructure	4.80	21.60	21.60	86.40	224.00
ii	Land Development, Soil Conservation, WSD	5.26	27.60	16.98	12.00	40.52
iii	Agri. Infrastructure - Others	2.20	4.22	2.48	9.60	24.80
1.3	Agriculture - Ancillary Activities					
i	Food and Agro Processing	8.00	24.00	24.00	140.00	240.00
ii	Agri ancillary activities - Others	2.30	0.00	2.00	0.00	0.00
iii	Agri-clinic/ ACABC	4.00	8.00	8.40	4.00	40.00
iv	Others – Miscellaneous (PMJDY)	0.00	0.00	0.00	1.80	0.00
2	MSME					
i	MSME – Investment Credit	280.00	83.20	1632.00	4320.00	34112.00
ii	MSME – Working Capital	70.00	33.28	326.40	1296.00	13644.80
3	Export Credit	0.00	0.00	0.00	0.00	0.00
4	Education	8.00	24.00	80.00	16.00	400.00
5	Housing	9.60	28.80	76.80	182.40	640.00
6	Social Infrastructure involving bank credit	8.00	64.00	72.00	72.00	224.00
7	Renewable Energy	2.92	7.56	27.76	21.96	86.24
8	Others – loans to SHGs/JLGs	14.00	30.10	80.00	230.00	363.30
	Grand Total	823.79	754.25	3553.66	7137.66	58223.54

Annexure I (Continued)
District-wise and Sub-sector -wise PLP Projections for 2024-25

(₹ Lakh)

Sl. No.	Sector	Tirap	Upper Siang	Anjaw	Changlang	Dibang Valley
(1)	(2)	(6)	(7)	(8)	(9)	(10)
1	Agriculture					
1.1	Farm Credit					
i	Crop Production, Maintenance & Marketing	361.67	329.62	164.14	324.84	182.51
ii	Water Resources	1.82	1.82	4.54	2.43	1.52
iii	Farm Mechanization	30.00	32.00	68.96	40.00	51.60
iv	Plantation & Horticulture	190.34	112.64	450.94	176.66	293.63
v	Forestry & Waste Land Development	15.36	15.20	15.52	5.41	16.80
vi	Animal Husbandry - Dairy	31.80	12.18	133.44	42.40	77.34
vii	Animal Husbandry - Poultry	16.51	21.26	71.41	11.01	6.53
viii	Animal Husbandry - Sheep, Goat & Piggery	13.06	33.30	71.52	8.70	28.66
ix	Fisheries	70.09	30.06	86.52	119.90	132.76
x	Farm Credit- Others	0.00	0.00	0.00	0.00	0.00
1.2	Agriculture Infrastructure					
i	Storage and Marketing Infrastructure	36.00	16.80	76.64	48.00	48.00
ii	Land Development, Soil Conservation, WSD	4.87	4.87	14.27	6.50	8.98
iii	Agri. Infrastructure - Others	0.99	2.76	4.35	1.98	3.61
1.3	Agriculture - Ancillary Activities					
i	Food and Agro Processing	36.00	12.00	80.00	48.00	36.00
ii	Agri ancillary activities - Others	0.00	0.00	0.00	0.00	0.00
iii	Agri-clinic/ ACABC	10.56	3.52	4.00	7.04	8.80
iv	Others - Miscellaneous (PMJDY)	0.30	1.80	2.00	0.40	0.00
2	MSME					
i	MSME - Investment Credit	228.80	51.20	139.20	484.80	40.00
ii	MSME - Working Capital	45.76	10.24	55.68	96.96	8.00
3	Export Credit	0.00	0.00	0.00	0.00	0.00
4	Education	24.00	8.00	8.00	48.00	8.00
5	Housing	28.80	9.60	128.00	38.40	88.00
6	Social Infrastructure involving bank credit	28.00	28.00	35.20	72.00	25.60
7	Renewable Energy	7.44	2.48	13.12	19.84	10.20
8	Others - loans to SHGs/JLGs	18.00	4.00	24.00	142.00	12.00
	Grand Total	1200.17	743.35	1651.45	1745.27	1088.54

Annexure I (Continued)
District-wise and Sub-sector -wise PLP Projections for 2023-24

(₹ Lakh)

Sl. No.	Sector	Lohit	Lower Dibang Valley	Tawang	West Siang	Upper Subansiri
(1)	(2)	(11)	(12)	(13)	(14)	(15)
1	Agriculture					
1.1	Farm Credit					
i	Crop Production, Maintenance & Marketing	774.35	818.02	60.00	564.12	453.01
ii	Water Resources	4.56	3.04	1.22	12.60	13.89
iii	Farm Mechanization	85.20	102.48	28.00	61.24	24.96
iv	Plantation & Horticulture	753.71	553.90	77.46	457.48	445.15
v	Forestry & Waste Land Development	27.20	48.64	8.08	24.31	21.63
vi	Animal Husbandry - Dairy	121.84	157.90	34.30	113.32	94.65
vii	Animal Husbandry - Poultry	64.46	109.76	8.00	227.72	38.53
viii	Animal Husbandry - Sheep, Goat & Piggery	86.08	123.92	14.38	55.08	48.60
ix	Fisheries	377.43	287.11	1.09	136.33	77.11
x	Farm Credit- Others	0.00	0.00	36.83	553.87	0.00
1.2	Agriculture Infrastructure					
i	Storage and Marketing Infrastructure	52.80	48.00	17.00	123.78	45.60
ii	Land Development, Soil Conservation, WSD	9.04	3.25	6.58	12.47	45.69
iii	Agri. Infrastructure - Others	9.20	23.88	5.44	6.12	7.19
1.3	Agriculture - Ancillary Activities					
i	Food and Agro Processing	96.00	108.00	28.00	51.00	84.00
ii	Agri ancillary activities - Others	0.00	0.00	0.00	53.55	0.00
iii	Agri-clinic/ ACABC	10.56	3.52	1.60	0.00	11.76
iv	Others – Miscellaneous (PMJDY)	3.00	6.00	2.50	0.00	18.70
2	MSME					
i	MSME – Investment Credit	848.00	326.40	1096.00	1040.00	944.00
ii	MSME – Working Capital	169.60	65.28	274.00	208.00	188.80
3	Export Credit	0.00	0.00	0.00	0.00	0.00
4	Education	24.00	40.00	32.00	42.50	56.00
5	Housing	28.80	48.00	118.40	133.88	67.20
6	Social Infrastructure involving bank credit	60.00	44.00	60.00	19.80	68.00
7	Renewable Energy	15.04	11.52	20.64	6.85	28.44
8	Others – loans to SHGs/JLGs	50.00	70.00	36.00	103.00	140.00
	Grand Total	3670.87	3002.62	1967.52	4007.02	2922.91

Annexure I (Continued)
District-wise and Sub-sector –wise PLP Projections for 2024-25

(₹ Lakh)

Sl. No.	Sector	Longding	East Siang	Siang	Kra Daadi	Namsai
(1)	(2)	(16)	(17)	(18)	(19)	(20)
1	Agriculture					
1.1	Farm Credit					
i	Crop Production, Maintenance & Marketing	778.95	1035.48	261.43	198.62	1624.47
ii	Water Resources	2.43	6.08	5.48	4.48	4.56
iii	Farm Mechanization	62.88	110.80	113.60	12.00	81.60
iv	Plantation & Horticulture	160.60	703.23	116.11	112.29	419.82
v	Forestry & Waste Land Development	22.56	57.60	13.60	20.71	22.56
vi	Animal Husbandry - Dairy	63.60	182.76	56.76	9.60	159.00
vii	Animal Husbandry - Poultry	16.51	109.76	75.52	25.74	35.02
viii	Animal Husbandry - Sheep, Goat & Piggery	13.06	123.92	83.00	20.11	32.64
ix	Fisheries	89.93	329.32	2.72	77.11	239.38
x	Farm Credit- Others	0.00	0.00	6.40	0.00	0.00
1.2	Agriculture Infrastructure					
i	Storage and Marketing Infrastructure	36.00	374.40	38.82	38.40	40.80
ii	Land Development, Soil Conservation, WSD	4.87	9.04	3.77	36.87	6.14
iii	Agri. Infrastructure - Others	0.74	13.80	0.00	3.72	0.74
1.3	Agriculture - Ancillary Activities					
i	Food and Agro Processing	72.00	180.00	24.00	24.00	156.00
ii	Agri ancillary activities - Others	0.00	0.00	0.00	0.00	0.00
iii	Agri-clinic/ ACABC	10.56	35.20	0.00	5.04	10.56
iv	Others – Miscellaneous (PMJDY)	2.60	4.00	3.00	3.50	3.00
2	MSME					
i	MSME – Investment Credit	921.60	4480.00	52.80	136.00	1464.00
ii	MSME – Working Capital	184.32	896.00	10.56	14.40	292.80
3	Export Credit	0.00	0.00	0.00	0.00	0.00
4	Education	24.00	40.00	15.75	56.00	48.00
5	Housing	28.80	86.40	33.60	67.20	28.80
6	Social Infrastructure involving bank credit	108.00	172.00	1.60	80.00	52.00
7	Renewable Energy	7.44	41.04	8.24	26.20	14.88
8	Others – loans to SHGs/JLGs	104.00	250.00	48.00	70.00	214.00
	Grand Total	2715.45	9240.83	974.76	1041.99	4950.78

Annexure I (Concluded)
District-wise and Sub-sector -wise PLP Projections for 2024-25

(₹ Lakh)

Sl. No.	Sector	Kamle	Leparada	Pakke Kesang	State
(1)	(2)	(21)	(22)	(23)	(24)
1	Agriculture				
1.1	Farm Credit				
i	Crop Production, Maintenance & Marketing	257.91	852.05	129.35	14355.99
ii	Water Resources	4.03	15.68	4.07	152.00
iii	Farm Mechanization	26.40	64.40	10.22	1465.17
iv	Plantation & Horticulture	135.21	253.89	216.06	8144.23
v	Forestry & Waste Land Development	9.47	20.57	26.40	630.36
vi	Animal Husbandry - Dairy	32.22	68.78	82.94	2157.47
vii	Animal Husbandry - Poultry	15.12	581.39	8.00	1910.77
viii	Animal Husbandry - Sheep, Goat & Piggery	21.84	112.77	21.91	1572.48
ix	Fisheries	36.14	175.04	13.91	2930.20
x	Farm Credit- Others	0.00	0.00	101.35	698.45
1.2	Agriculture Infrastructure				
i	Storage and Marketing Infrastructure	33.60	116.50	16.80	1566.34
ii	Land Development, Soil Conservation, WSD	17.95	20.10	3.18	320.80
iii	Agri. Infrastructure - Others	2.48	6.48	2.20	138.99
1.3	Agriculture - Ancillary Activities				
i	Food and Agro Processing	24.00	84.00	8.00	1587.00
ii	Agri ancillary activities - Others	0.00	62.20	0.00	120.05
iii	Agri-clinic/ ACABC	3.36	0.00	4.00	194.48
iv	Others - Miscellaneous (PMJDY)	1.00	0.00	0.60	54.20
2	MSME				
i	MSME - Investment Credit	52.80	630.40	72.00	53435.20
ii	MSME - Working Capital	10.56	126.08	18.00	18045.52
3	Export Credit	0.00	0.00	0.00	0.00
4	Education	16.00	20.00	8.00	1046.25
5	Housing	19.20	50.40	19.20	1960.28
6	Social Infrastructure involving bank credit	28.00	4.80	8.00	1335.00
7	Renewable Energy	5.36	3.33	4.88	393.38
8	Others - loans to SHGs/JLGs	20.00	46.50	2.00	2070.90
	Grand Total	772.65	3315.36	781.07	116285.51

Note : Credit potential with respect to Shi Yomi & Lower Siang has been included under West Siang & Leparada districts, respectively .

Annexure – II									
Agency-wise, Broad Sector-wise flow of Ground Level Credit in the State-Targets, Achievements and Percentage of Achievement for last three years									
(₹ lakh)									
Sl No	Agency/Category	2020-21		2021-22		2022-23		Avg of last 3 years Ach (%)	2023-24
		Tar	Ach.	Target	Ach.	Target	Ach.		Target
1	Crop Loan								
	CBs	17445.04	2620.34	2818.17	4369.95	-	5597.79	85.04	6052.31
	SCB	1382.52	149.25	441.86	73.75	-	95.87	14.74	151.91
	RRB	2318.84	1014.7	280.53	1251.56	-	1180.81	245.95	1476.36
	Sub-Total (A)	21146.4	3784.29	3540.57	5695.26	-	6874.47	89.38	7680.58
2	Term Loan								
	CBs	20191.93	792.34	5223.60	2194.35	-	8584.70	23.97	8205.08
	SCB	2224.48	51.00	751.85	863.67	-	57.06	59.58	462.00
	RRB	2948.78	0.00	817.00	562.91	-	286.70	34.45	2113.83
	Sub-Total (B)	25365.19	843.34	6792.45	3620.93	-	8955.46	28.32	10780.91
3	Total Agri Credit (A+B)								
	CBs	37636.97	3412.68	8041.77	6564.3	5004.86	14182.49	56.23	14257.07
	SCB	3607	200.25	1097.53	937.42	200.67	152.93	43.27	613.91
	RRB	5267.62	1014.70	1193.72	1814.47	1111.28	1467.51	83.57	3590.19
	Sub-Total (C)	46511.59	4627.63	10333.02	9316.19	6316.81	15802.93	58.67	18461.17
4	MSME Sector								
	CBs	13901.41	31240.87	39940.49	38739.35	43921.80	60053.77	150.10	49117.13
	SCB	585.93	10.00	2135.11	118.18	421.28	10.00	2.40	471.07
	RRB	2172.27	5136.16	5099.84	7152.19	5630.67	8040.05	133.50	6598.58
	Sub-Total (D)	16659.61	36387.03	47175.44	46009.72	49973.75	68103.82	142.95	56186.78
5	Other Priority Sector								
	CBs	6421.82	2434.14	9291.75	2013.99	2927.96	2188.81	35.35	3565.01
	SCB	295.47	195.71	519.32	380.44	112.31	143.97	67.20	77.35
	RRB	662.17	329.90	697.71	1533.50	551.99	2581.38	184.32	902.23
	Sub-Total (E)	7379.46	2959.75	10508.78	3927.93	3592.26	4914.16	55.07	4544.59
6	Total								
	CBs	57960.2	37087.69	57274.01	47317.64	51854.62	76425.07	78.89	66939.21
	SCB	4488.4	405.96	3751.96	1436.04	734.25	306.9	23.08	1162.33
	RRB	8102.06	6480.76	6991.27	10500.16	7293.94	12088.94	108.93	11091.00
	Grand Total (C+D+E)	70550.66	43974.41	68017.24	59253.84	59882.81	88820.91	79.87	79192.54

Annexure- III

Critical Infrastructure Support to be provided

S. N.	Infrastructure Support Required
1	Formation of FPOs for technology adoption to encrease production and productivity, increase income of farmers, dissemination information on quality inputs and marketing of products.
2	Credit delivery mechanism under cooperative fold may be improved financially. Review and revive credit delivery as an activity of LAMPS which may be a source of crop loan/ KCC to farmers. Coverage of all eligible farmers and PMKISAN beneficiaries under KCC may be ensured and banks may provide loans to farmers for mechanization .
3	State Govt. may take up more irrigation projects with assistance from RIDF/MIF. Timely completion of irrigation projects and barrages may be accorded high priority. Village-wise scope/ potential for financing MI activities may be assessed by Departments and more areas may be brought under assured irrigation .
4	Departments may conduct awareness camps, training to the beneficiaries on use of drip & sprinkler irrigation systems for optimum use of water in plantation and horticulture crops .
5	Storage & warehouses may be created by State Government . Facilities may be made available to farmers for storing marketable surplus and procurement of products by Govt. agencies at MSP.
6	The District Agriculture Department may make efforts to popularize use of farm mechanization. Repair services are to be created by department of agriculture. A few young farmers may be sponsored for training in farm equipments and fabrication of implements and trailers.
7	Extension support to the farmers may be provided by Horticulture Department to encourage Fruit processing activity by providing credit & grant support. The departments may also facilitate funding support to entrepreneurs from the Micro Food Processing Fund, GOI. Coordination between Agriculture Dept., DIC and KVIC and banks may be strengthened. SHG/NGO/Producers organization should be encouraged to take up agro-processing with institutional finance.
8	Updating of land record and issue of land possession certificates to facilitate execution of mortgage deed need to be expedited. Govt. should issue Land Possessing Certificate to eligible farmers .
9	Establishment of agro tourism centers at block head quarter or selected places not only to facilitate recreation facilities to urban population but also to serve as a center to demonstrate the modern techniques for propagation of horticulture, floriculture, ornamental plants etc . .
10	Concern for medicinal plants & Oil Palm has been shown in the plan of forest department, and they may provide some extension service. Some NGOs should take lead in arranging planting material and in processing and marketing activities. Farm forestry and waste land development may be given priority .
11	The AH & V Department may consider establishing Pig/ sheep/ goat breeding farms for providing good quality animals, conduct training for farmers regarding scientific management of poultry farms, organizing periodical poultry exhibitions, discussions, workshops/seminars on the subject. Modern slaughter houses with meat processing facilities may be established some potential areas of the state.
12	Preparation of proposals for inland pond development by fisheries department involving subsidy and bank loan. Need to form SHGs of fishermen/women to ensure availability of micro credit to fishermen engaged in fishing operation .
13	Awareness programmes on facilities under PMJDY should be organized in the district by banks and other stakeholders. Sensitizing beneficiaries under PMJDY regarding regular servicing of accounts, so that their accounts do not become inoperative . Bankers may provide overdraft to those who has not been covered under any Loan scheme.

S. N.	Infrastructure Support Required
14	Improvement in backward and forward linkages for rural artisans, cottage & village industries by Department of Industries. Ensuring provision of adequate working capital to the SSI units by banks to make such units viable. Vocational/skill up gradation programme with the help of master craftsmen can be arranged the government agencies .
15	State government may support students from BPL/Poor families in applying Education loan for higher technical/professional courses.
16	Government may construct roads in the districts as it is hampering the growth of the district due to poor connectivity. Banks should be involved in financing social infrastructure projects in the districts also.

Annexure IV
Critical Interventions required in various sectors/sub –sectors

Sector	Interventions required
1. Farm Credit	
i	Emphasis may be given on formation and nurturing of more farmers groups & FPOs for aggregation of products and better price realization to farmers, dissemination scientific knowledge of agriculture practices, input distributions, etc.
ii	As the production credit (KCC) is the dominant credit related to agricultural activity in the state, arrangement for timely, adequate and hassle free credit may be extended by banks to all eligible farmers in the state through KCC.
iii	All PMKISAN beneficiaries should be covered under KCC scheme. Cooperation Department may identify suitable LAMPS to increase the spread of crop loan / KCC to farmers and sensitize farmers for timely repayment to avail the benefit of interest subvention.
iv	The need for publicity of Chief Minister Krsihi Rinn Yojana to encourage farmers to avail 4% subsidy in addition to MISS (KCC) of GoI.
v	Inculcate repayment habit among borrowers by conduct of melas.
vi	Introduction of Crop Insurance Scheme and bring all beneficiaries under insurance cover to protect farmers financially from probable loss of crops due to natural calamities.
vii	Arrangement for timely procurement of marketable surplus from farmers by Govt agencies at MSP. Storage & warehouses may be established to facilitate farmers in better price realization.
viii	Govt. should issue Land Possessing Certificate to eligible farmers, so as to make them eligible to take loans from formal sources.
ix	The primary activity of LAMPS is PDS at present. Cooperation Department may work out suitable strategy for making eligible APStCB and LAMPS to channelize crop loans to farmers in the state.
x	Banks may encourage formation of JLG among SF/ MF/ Tenant Farmers & Oral lessee for financing crop loans through JLG mode. BCs, BFIs, Bank Sakhi model may be encouraged for better outreach in rural areas of the state.
xi	Agriculture Department may consider setting up additional Seed Farms for ensuring availability of quality seeds as per requirement and the number of outlets for seeds, fertilisers and pesticides may be increased. The scheme of setting up of Agri-clinics and Agribusiness Centers by agricultural graduates may be popularized to strengthen the extension services to the farmers in time.
2. Water Resources	
i	Village-wise scope/ potential for financing MI activities may be assessed by Departments, block level officials and villagers. Awareness camps, training to the beneficiaries for popularizing use drip & sprinkler system are required to be undertaken by government departments.
ii	State Government may take up more irrigation projects with assistance from RIDF & Micro Irrigation Fund of NABARD. Timely completion of irrigation projects may be accorded high priority to promote water use efficiency in agriculture.
iii	Banks may finance Micro Irrigation activities in a big way under GoI subsidy scheme. Community Irrigation Schemes/Group Loans like SHG, JLG may be encouraged.
3. Farm Mechanization	
i	The demand for power tiller, tractors & farm machineries is low considering the hilly terrain. These farm equipment are now being supplied by private dealers. There are no formal or private training centres for imparting training to the farmers on farm machineries.
ii	Agriculture Department may make efforts to popularize use of farm mechanization. Repair services are to be made available. A few young farmers may be sponsored for training in farm equipment. Department may consider setting up a Common Hiring Centre for Farm Machinery, with the FPOs in the district.
iii	Banks may provide loans to all the needy and eligible farmers for tractors and power tillers. Bank may encourage group financing/community financing for tractors.

Sector	Interventions required
4. Plantation & Horticulture	
i	Extension support to the farmers by Horticulture Department is required for supply of quality planting materials. Department may initiate action for establishment of nurseries. Necessary training may be imparted to farmers for cultivation of suitable plantation and horticulture activities.
ii	Institutional coordination between, Agriculture/Horticulture Dept. and banks for successful implementation of State Govt. subsidy scheme viz . Atmanirbhar Bagwani Yojana .
iii	Fruit processing activity may be encouraged by providing institutional credit & grant support under various incentives like PM Formalisation of Micro Food Processing Enterprises and other schemes . Setting up of wholesale market – cum – auction center with e –NAM facility will provide boost to this sector. Technical guidance and marketing support may be provided on medicinal and aromatic plantation.
iv	Establishment of agro tourism centers at block head quarters or selected places not only to facilitate recreation facilities to urban population but also to serve as a center to demonstrate modern techniques for propagation of horticulture, floriculture, ornamental plants, etc .
v	Horticulture Department may promote orchid development on big scale on the line of NABARD's Springshed Projects. Vegetable cultivation & floriculture may also be promoted under controlled environment.
5. Forestry & Wasteland Development	
i	NGOs should take lead in arranging planting material and processing & marketing initiatives. Farm forestry may be taken up for waste land development .
ii	Plantation & Horticulture and Agriculture Department may create mass level awareness about flagship programme like "Restructured National Bamboo Mission" and facilitate development in this sector. Groups of farmers may be formed to take up the activity with bank finance.
iii	Most of the work for forest development has been undertaken under Government programmes only. Though there is little scope for private forestry, programmes may be taken up for waste land development for Oil Palm cultivation as a new initiative . Under Apanavan Scheme, individual can take up tree planting up to 5 ha and village community up to 25 ha on privately owned degraded land with subsidy from State Govt.
iv	Augmentation of medicinal plants is shown in the plan of forest department involving Village Forest Management Committees under National Medicinal Plant Board . The department may provide awareness and extension services. Farm forestry may be taken up for waste land development by the Forest and Agriculture Departments .
6. Animal Husbandry	
i	Concerned Departments may identify dairy farmers for financing under various bank loan schemes. The extension services like veterinary clinics, AI centres etc. in districts may be strengthened for development of dairy sector in the state.
ii	In the private sector, the activities like fodder cultivation, mini dairy units, calf rearing and veterinary clinics can be encouraged.
iii	Government may consider setting up suitable dairy storage and processing units with support from the Dairy Infrastructure Development Fund (DIDF).
iv	Extension mechanism has to be strengthened for propagation of schemes. Training of farmers regarding scientific management of poultry farms and organizing periodical poultry exhibitions, discussions, workshops/seminars on the subject may be explored.
v	The prime requirement for poultry activities like availability of Day Old Chicks (DOCs) layer & broiler, feeds and medicines are yet to be made available as per need.
vi	The market chain of broiler may be developed by Animal Husbandry Department with the participation of Private Entrepreneurs. For regular supply of eggs hatchers, poultry breeding, farms may also be developed.
vii	The State Govt. may consider establishing Pig/ sheep/ goat breeding farms for providing good quality animals. Presently, pig rearing activity of dwarf local breed being taken by local people is not viable.

Sector	Interventions required
viii	Intensive fodder cultivation may be started on barren and unused government land under National Livestock Mission. Farmers may be encouraged to take up fodder cultivation activity in the district. As there is no established/good cattle market, farmers have to depend upon markets outside the State, for good quality cattle.
ix	At local level training of beneficiaries on Sheep, Goat and Pig breeding may be taken up by the Animal Husbandry Department and KVK. Establishment of slaughter houses with meat processing facilities may be explored.
7. Fisheries Development	
i	The Fisheries Department may identify prospective fish farmers for new ponds Extension services to be strengthened. Supply of carp seed (fry/ fingerlings) to fish farmers, societies, owners of existing ponds and tanks may be made.
ii	Preparation of proposals for inland development of pond by fisheries department involving subsidy and bank loan and prompt forwarding the cases to the banks for financing.
iii	Market outlets to be provided at block level to ensure remunerative prices.
iv	Need to form SHGs of fishermen/women to ensure availability of micro credit to farmers engaged in fishing operation. The benefit of subsidy and priority in allotment of lake, ponds etc. provided by Government should be extended to SHGs.
v	For fish seed production, the fish seed growers identified by the fisheries department may be provided short term credit to meet production expenses. Integrated fish farming models may be encouraged. De-silting of Govt. and private ponds is required for promoting fisheries.
8. Storage Godown and Market Yards	
i	Production loan may be made popular among farmers by banks to encourage farmers to store their agri/horti produce and avail pledge loans.
ii	Entrepreneurs may be encouraged to take up Agriculture marketing infrastructure projects like godown, cold storages, refer vans, etc. Govt. may increase the storage capacity at LAMPS level and set up cold storage/mini cold storage chain in selected clusters through RIDF loans.
iii	Strengthening cooperatives and creating additional storage facilities.
9. Land Development	
i	Proper investment in Land Development activities can increase production and hence income. Therefore, dedicated efforts should be made by the Soil Conservation Department and banks. Awareness level of farmers needs to be improved.
ii	Special programmes may be organized by DAO/KVK for bank officials on the bankability of Land Development Schemes, especially on water harvesting structures for farmers using modern techniques of dry land farming, water harvesting structure etc.
iii	The major constraint in this sector is the lack of coordination among various agencies. Non-availability of adequate funds, shortage of staff, lack of enthusiasm from the farmers to undertake land development, lack of awareness, etc. need to be addressed.
10. Food and Agro processing	
i	Institutional coordination between Agri. depts., DIC, KVIC and banks may be strengthened. Intensification of extension support to the farmers and cluster area plantation approach may be followed.
ii	Fruit processing activity may to be accorded priority through PM Formalisation of Micro Food Processing Enterprises and creating awareness through camps and demonstrations. Processing of fruits and other horticultural produce may be promoted through intensive vocational and on farm training initiatives
iii	Contract farming may be encouraged for improvement of production, productivity and processing.
iv	Subsidy schemes for food processing may be propagated and research institutions/ Universities may be involved in preparation of feasibility reports, capacity building and entrepreneurship development.
v	Presently, a large number of farmers are undertaking the horticulture crops/vegetable crops. However, they are facing difficulty of marketing of produce due to inadequate market facility. There is need for establishing processing plant at foothill areas.

Sector	Interventions required
11. MSME	
i	Improvement in backward and forward linkages for rural artisans, cottage & village industries, SSI and cluster development concept to be popularized together with ensuring provision of adequate working capital to the SSI units to make such units viable
ii	Vocational/skill up gradation programme with the help of master craftsmen may be arranged in collaboration with the banks and government agencies. Awareness camps for prospective entrepreneurs / educated unemployed to be organized for promotion of activities under NFS by the DIC
iii	Close coordination among agencies involved in promotion of NFS may be ensured particularly among DIC, KVIC, DRDA exhibitions cum sales outlets at periodical intervals at important places may be organised .
iv	Startup India, MUDRA Yojana & Stand up India scheme have a combined potential of game changer and it can drive the rural economy to a new height, hence banks should promote and finance under these schemes extensively .
v	Skill upgradation training facilities for the beneficiaries under govt. sponsored programmes such as NRLM, PMRY, KVIB are inadequate. Deteriorating financial health of SSI units, cottage and village industries, frequent power cuts, poor connectivity, lack of training institutes are causes of concern .
12. Education /Housing Loan	
i	Banks may popularize Education Loan through awareness campaigns. State government may support students from BPL/Poor families in applying Education loan for pursuing higher technical/professional courses .
ii	Tie up arrangements may be made between banks and educational institutions for supporting financial requirements of deserving students .
iii	Banks may finance housing projects in a big way . If possible, they may enter into an agreement with the private players working in the field .
13. Export Credit	
i	Most of the horticultural produce in the State are, by default, free from chemicals. However, there is lack of proper certification to the effect to corner the benefit of organic products and the premium available for such products. There is a need to provide adequate infrastructure for organic certification within the state.
ii	State of the Art infrastructure for processing of agri/ horticulture produce and for packaging to cater to the demand of the exporters, are lacking in the State. Wherever feasible, post-harvest infrastructure may be established by the Government, either directly or through the Farmer Producer Organisations (FPOs). Basic infrastructure to access airport, railway station from the major production centres need to be improved to avoid perishability and for cost effective transportation of produce
14. Credit Potential for Infrastructure	
i	Roads need to be improved in the district and regular supply of power as well. In addition to agriculture infrastructure like hospitals, schools, colleges, veterinary dispensaries etc. needs to be improved .
ii	Creation of infrastructure in the PPP (Public Private Partnership) mode may be explored .

List of Abbreviations

ACP	Annual Credit Plan	DTPC	District Tourism Promotion Council
ACABC	Agri Clinic and Agri Business Centre	EDP	Entrepreneurship Development Programme
ADS	Area Development Scheme	e-NAM	e-National Agriculture Market
AEZ	Agri. Export Zone	FIF	Financial Inclusion Fund
AH	Animal Husbandry	FLC	Financial Literacy Centre
AMRUT	Atal Mission for Rejuvenation and Urban Transformation	FLCC	Financial Literacy and Credit Counselling Centres
AIF	Agriculture Infrastructure Fund	FM	Farm Mechanization
AMI	Agriculture Marketing Infrastructure	FPF	Food Processing Fund
APMC	Agricultural Produce Market Committee	FPO	Farmer Producers' Organization
APY	Atal Pension Yojana	FSPF	Farm Sector Promotion Fund
APEDA	Agricultural and Processed Food Products Export Development Authority	GCA	Gross Cropped Area
AI	Artificial Insemination	GCF	Green Climate Fund
ATMA	Agricultural Technology Management Agency	GIA	Gross Irrigated Area
BC	Business Correspondent	GLC	Ground Level Credit
BF	Business Facilitator	GoI	Government of India
BLBC	Block Level Banker's Committee	HYV	High Yielding Variety
BPL	Below Poverty Line	ICT	Information and Communications Technology
BSBDA	Basic Savings Bank Deposit Account	IWMS	Integrated Watershed Management Scheme
CAT	Capacity Building for Adoption of Technology	JLG	Joint Liability Group
CBs	Commercial Banks	KCC	Kisan Credit Card
CBS	Core Banking Solution	KVIB/KVIC	Khadi and Village Industries Board/ Khadi and Village Industries Commission
CCF	Climate Change Fund	KYC	Know Your Customer
CDR	Credit Deposit Ratio	KVK	Krishi Vigyan Kendra
CGTMSE	Credit Guarantee Fund Trust for Micro and Small Enterprises	LBR	Lead Bank Return
CISS	Capital Investment Subsidy Scheme	LDM	Lead District Manager
CRAR	Capital to Risk weighted Asset Ratio	LEDP	Livelihood and Enterprise Development Programmes
DAP	Development Action Plan	LWE	Left Wing Extremism
DBT	Direct Benefit Transfer	MEDP	Micro Enterprise Development Programme
DDD-GKY	Deen Dayal Upadhyaya-Grameen Kaushal Yojana	MFI	Micro Finance Institution
DCCB	District Central Cooperative Bank	MIDH	Mission for Integrated Development of Horticulture
DCC	District Consultative Committee	MI	Minor Irrigation
DCP	District Credit Plan	MNRE	Ministry of New and Renewable Energy
DDM	District Development Manager	MNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
DIDF	Dairy Processing and Infrastructure Development Fund	MSME	Micro, Small and Medium Enterprises
DLRC	District Level Review Committee	MoRD	Ministry of Rural Development
DLTC	District Level Technical Committee	MSC	Multi Service Centre
DRDA	District Rural Development Agency	NABARD	National Bank for Agriculture and Rural Development
NBFC	Non-Banking Financial Company	PPP	Public Private Partnership
NDDB	National Dairy Development Board	PRI	Panchayati Raj Institution
NEFT	National Electronic Fund Transfer	PWCS	Primary Weavers Cooperative Society
NFDB	National Fisheries Development Board	RBI	Reserve Bank of India
NAFCC	National Adaptation Fund for Climate Change	RIDF	Rural Infrastructure Development Fund
NHB/NHM	National Horticulture Board/ National Horticulture Mission	RNFS	Rural Non-Farm Sector
NIDA	NABARD Infrastructure Development Assistance	RKBY	Rashtriya Krishi Bima Yojana
NIA	Net Irrigated Area	RKVY	Rashtriya Krishi Vikas Yojana
NRLM	National Rural Livelihood Mission	RRB	Regional Rural Bank
NRM	National Resource Management	RUDSETI	Rural Development & Self Employment Training Institute
NSA	Net Sown Area	RSETI	Rural Self Employment Training Institute

NSSO	National Sample Survey Organisation	SAMIS	Service Area Monitoring and Information System
NWR	Negotiable Warehouse Receipt	SAO	Seasonal Agriculture Operation
OFPF	Off-Farm Promotion Fund	SCARDB	State Cooperative Agriculture & Rural Development Bank
OPS	Other Priority Sector	SDI	Skill Development Initiative
PACS	Primary Agricultural Cooperative Society	SF/MF	Small Farmer / Marginal Farmer
PCARDB	Primary Cooperative Agriculture & Rural Development Bank	SFAC	Small Farmers' Agri-Business Consortium
P & H	Plantation & Horticulture	SFP	State Focus Paper
PKVY	Paramparagat Krishi Vikas Yojana	SHG	Self Help Group
PLP	Potential Linked Credit Plan	SHPI	Self Help Group Promotion Institution
PMFBY	Pradhan Mantri Fasal Bima Yojana	SIDBI	Small Industries Development Bank of India
PMJDY	Pradhan Mantri Jan Dhan Yojana	SMAM	Sub Mission on Agricultural Mechanization
PMJJBY	Pradhan Mantri Jeevan Jyoti Bima Yojana	SLBC	State level Banker's Committee
PMKVY	Pradhan Mantri Kaushal Vikas Yojana	SRI	System of Rice Intensification
PMMY	Pradhan Mantri Mudra Yojana	SRLM	State Rural Livelihood Mission
PMRY	Prime Minister's Rozgar Yojana	StCB	State Cooperative Bank
PMSBY	Pradhan Mantri Suraksha Bima Yojana	TDF	Tribal Development Fund
PMKSY	Prime Mantri Krishi Sinchayee Yojana	WDF	Watershed Development Fund
PODF	Producer Organisation Development Fund	WDRA	Warehousing Development and Regulatory Authority
POPI	Producer Organisation Promoting Institution	WIF	Warehouse Infrastructure Fund
POS	Point of Sale	WSHG	Women Self Help Group

Contact Details of DDMs/DDMs-R

Sr. No	Name of the District	Name of the DDM/DDM(R)	Designation	Tagged District	Mobile no.	Email
DDMs						
1	Lower Subansiri	Sh. Mewang Lowang	Asst. General Manager	Upper Subansiri, Kra Daadi, Kamle	9466059301	mewang.lowang@nabard.org
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3	Namsai	Sh. Kamal Roy	Manager	Tirap, Changlang, Longding	9954104146	kamal.roy@nabard.org
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NABSAMRUDDHI FINANCE Limited

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☎ 022-26539693 ✉ nabsamruddhi@nabard.org



NABFINS Limited

A Subsidiary of NABARD

- A Non deposit taking systemically important NBFC - MFI - Middle Layer advancing hassle free services to the low income households with the vision to become model MFI in the country
- Operating with 325 Branches in 198 districts across 18 states with active client base of appx. 7.34 lakh active borrowers
- Financial products offered: Direct Lending of micro finance loans, Traders Loan and Institutional loans.

- Timely and adequate credit without collateral
- Affordable interest rate in the sector
- Insurance facility to borrowers and co-obligants
- Door step delivery of financial services

Registered Office: 3072, 14th Cross, K. R. Road, Banashankari 2nd Stage, Bengaluru – 560 070, Karnataka, India

☎ 080-26970500

✉ ho@nabfins.org

🌐 www.nabfins.org



NABKISAN FINANCE Limited

A Subsidiary of NABARD

- Largest lender in FPO space
- Present in 20+ States including North East
- 2000+ FPOs credit linked
- Collateral free lending at affordable rates

- Financing FPOs through
 - Working Capital
 - Term loan
 - Pledge Financing (eNWR)
- Term lending for Corporates/ NBCs/ MFIs
- Soft loans for Agri Startups

Registered Office: C/o NABARD, Tamil Nadu RO, Chennai

☎ 044-28270138/28304658

✉ finance@nabkisan.org

Corporate Office: C/o NABARD, Head Office, Mumbai

☎ 022-26539620/9514

✉ corporate@nabkisan.org

🌐 www.nabkisan.org



NABARD Consultancy Services Private Limited (NABCONS)

A wholly owned Subsidiary of NABARD

**OFFERS
CONSULTANCY
AND ADVISORY
SERVICES**
Pan India
Presence with
offices in 31
States / UTs

SERVICES PROVIDED

- Project Management Consultancy
- IT based Natural Resources Information Systems
- Feasibility, Socio-economic & Impact Evaluation Studies

- Third Party Monitoring
- Climate Change & Sustainability
- Value Chain Development

- Skills & Livelihood Development
- Preparation of Detailed Project Reports (DPRs)
- Transaction Advisory Services

Registered Office: NABCONS, 3rd Floor, C wing, NABARD, Plot No. C-24, G Block, BKC, Bandra (East), Mumbai-400051

☎ 022-26539419

✉ headoffice@nabcons.in

Corporate Office: NABCONS, 7th Floor, NABARD Tower, 24, Rajendra Place, New Delhi – 110125

☎ 011-41538678/25745103

🌐 www.nabcons.com



NABVENTURES Limited

A wholly owned Subsidiary of NABARD

NABVENTURES Ltd., a Company registered under the Companies Act, 2013, with a paid-up capital of INR 25 crore, is the Sponsor and Investment Manager of NABVENTURES Fund-I, a SEBI-registered Category II Alternative Investment Fund (AIF), with a base corpus of INR 500 crore and greenshoe option of INR 200 crore.

Investment focus: Start-ups/MSMEs operating in/with

- **Sectors:** Agri-tech, rural fin-tech, food-tech, health-tech and edu-tech, with a rural focus
- **Stage:** Pre-Series A (INR 5-20 cr.) & Series A (INR 20-50 cr.)
- **Model:** Asset-light, technology-led models, which can be quickly scaled up across geographies

As on 31 March 2023:

- **Corpus raised:** INR 598 crore
- **Investments made:** INR 190.86 crore in 10 start-ups

Registered Office: NABARD, 2nd Floor, A Wing, Plot No. C-24, G Block, BKC, Bandra (East), Mumbai-400051

✉ nabventure@nabard.org

☎ 022-26539149

🌐 www.nabventure.in



NAB FOUNDATION

Leveraging the power of convergence

NABFOUNDATION is a wholly owned, not for profit, subsidiary of NABARD, established under Sec 8 of Companies Act, 2013. The organization draws its strength and experience from the thousands of development projects grounded by its parent body, NABARD, in multiple domains over nearly last four decades.

What does NABFOUNDATION want from you ?

IF YOU ARE AN INDIVIDUAL

Reach out to us with your ideas about development projects which you believe need to be implemented. We really look forward to your fresh ideas.

IF YOU ARE A CSR UNIT

Of a corporate and believe that there is a scope for collaborating with us to have access to the vast network of resources of NABARD in a structured manner, just give us a call.

IF YOU ARE A CIVIL SOCIETY ORGANIZATION/NGO

With an idea whose time you think has come and have not been able to find willing partners, reach out to us.

IF YOU ARE WITH THE GOVERNMENT

And believe that there is a need for reimagining implementation of your Central or State government projects, allow us to be a part of your vision.

Registered Office: NABARD, 4th floor, E wing, Plot No. C-24, BKC, Bandra (East), Mumbai-400051

✉ nabfoundation@nabard.org

☎ 022-26539404/9054

🌐 www.nabfoundation.in



NABSanrakshan Trustee Private Limited

A wholly owned Subsidiary of NABARD

Building Trust for Rural Prosperity

- Offers credit guarantee against the credit offered by the Eligible Lending Institutions, through the Trusts (Funds) under its Trusteeship
- Two sovereign Credit Guarantee Schemes offered are:
 - Credit Guarantee Scheme for FPO Financing
 - Credit Guarantee Scheme for Animal Husbandry and Dairying
- More than 700 FPOs provided credit guarantee till 31 March 2023 covering nearly 6.14 lakh farmers across 19 states
- Operations carried through Credit Guarantee Portal

Registered Office: NABARD, C- 24, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051

☎ 022-26539243/9241

✉ ho@nabsanrakshan.org

🌐 www.nabsanrakshan.org